

**A REGULAR MEETING OF THE  
BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF  
SAN BERNARDINO**

TO BE HELD TELEPHONICALLY  
May 12, 2020 AT 3:00 P.M.

Zoom Meeting – Board of Commissioners will be forwarded instructions  
Members of the public may call:  
Call In Number (669) 900-6833  
Meeting ID: 820 1915 1542  
Password: 495579

This meeting is being held in accordance with the Brown Act as currently in effect under the State of Emergency Services Act, the Governor's Emergency Declaration related to COVID-19 and the Governor's Executive Order N-29-20 issued on March 17, 2020, that allows attendance by the Board of Commissioners, Housing Authority staff, and the public to participate and conduct the meeting by teleconference, videoconference, or both.

Members of the public wishing to participate should call in using the teleconference information stated above. Public comments, limited to 250 words or less, can only be submitted via web at <http://ww2.hacsb.com/contact/public-comments-for-board-meetings> and/or via email at [publiccomment@hacsb.com](mailto:publiccomment@hacsb.com) and will be read into the record, limited to 3 minutes per comment. Some comments may not be read due to time limitations.

**AGENDA**

**PUBLIC SESSION**

- 1) Call to Order and Roll Call
- 2) Additions or deletions to the agenda
- 3) General Public Comment - Any member of the public may address the Board of Commissioners on any matter not on the agenda that is within the subject matter jurisdiction of the Board. To make a comment on a specific agenda item, please submit your comments via email or online by 1:00 p.m. on the Tuesday of the Board meeting. Comments should be limited to 250 words or less. Please submit your comments via web at <http://ww2.hacsb.com/contact/public-comments-for-board-meetings> and email at [publiccomment@hacsb.com](mailto:publiccomment@hacsb.com). Your comments will be placed into the record at the meeting. Efforts will be made to read the comments into the record, but some comments may not be read due to time limitations.

**DISCUSSION CALENDAR**

(Public comment is available for each item on the discussion calendar)

- 4) Receive the Executive Director's Report dated May 12, 2020. (Page 1)
- 5) 1 – Approve Amendment No.3 to Contract No. PC990 with Applied Real Estate Analysis, Inc. for local rental housing submarket analysis services increasing the current contract amount by \$31,118 for a total contract amount not to exceed \$122,986.70 for services provided during the one-year option period through February 22, 2021. (Pages 2–9)  
  
2 - Authorize and direct the Executive Director to execute and deliver the contract amendment to Applied Real Estate Analysis, Inc., and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.
- 6) Adopt Resolution No. 85 approving the Housing Authority of the County of San Bernardino's Annual Moving to Work Plan for Fiscal Year 2019-2020, Amendment 3. (Pages 10-133)
- 7) 1 – Approve a non-financial Memorandum of Understanding with the County of San Bernardino's Department of Behavioral Health for the No Child Left Unsheltered program for the period of July 1, 2020 through June 30, 2025. (Pages 134- 158)  
  
2 – Authorize and direct the Executive Director to execute and deliver the Memorandum of Understanding to the County of San Bernardino's Department of Behavioral Health, and upon consultation with Legal Counsel, to approve any non-substantive revisions to complete the transaction.

### **CONSENT CALENDAR**

- 8) APPROVAL OF CONSENT ITEMS: # 9-12
- 9) Approve the meeting minutes for the Board of Commissioners of the Housing Authority of the County of San Bernardino Regular Meeting held on April 14, 2020. (Pages 159-164)
- 10) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month ending in February 2020. (Pages 165-170)
- 11) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month ending in March 2020. (Pages 171-176)
- 12) Approve and file Agency-wide Financial Statements through January 2020. (Pages 177-179)
- 13) Individual Board member Comments
- 14) Adjourn

This agenda contains a brief description of each item of business to be considered at the meeting. In accordance with the Ralph M. Brown Act, this meeting agenda is posted at least 72 hours prior to the regularly scheduled meeting at the Housing Authority of the County of San Bernardino (HACSB) Building located at 715 East Brier Drive, San Bernardino, California, 92408. The agenda and its supporting documents can be viewed online at <http://www.hacsb.com>. However, the online agenda may not include all available supporting documents or the most current version of documents.

If you challenge any decision regarding any of the above proposal in court, you may be limited to raising only those issues you or someone else raised during the public testimony period regarding that proposal or in written correspondence delivered to the Board of Commissioners at, or prior to, the public hearing.

It is the intention of the HACSB to comply with the Americans with Disabilities Act (ADA). If you require special assistance, HACSB will attempt to accommodate you in every reasonable manner. Please contact Sylvia Robles at (909) 890-6318 at least 48 hours prior to the meeting to inform us of your particular needs.

HACSB ofrece asistencia idiomática gratis. Para ayuda con este documento, por favor llámenos al (909) 890-0644.

**REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE  
HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD  
OF ACTION**

**May 12, 2020**

**FROM**

**MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino**

**SUBJECT**

Executive Director's Report for May 12, 2020

**RECOMMENDATION(S)**

Receive the Executive Director's Report dated May 12, 2020.  
(Presenter: Maria Razo, Executive Director, 332-6305)

**GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**FINANCIAL IMPACT**

Approval of this item will not result in a financial impact to the Housing Authority of the County of San Bernardino (HACSB) as there is no financial impact associated with this item.

**BACKGROUND INFORMATION**

The Executive Director's report summarizes ongoing initiatives of HACSB's strategic plan, Moving to Work activities, overall agency updates, as well as other initiatives federally regulated by the United States Department of Housing and Urban Development. The focus of this month's report is HACSB's response to the COVID-19 global pandemic.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by Legal Counsel (Julie J. Surber, Principal Assistant County Counsel, 387-5455) on April 22, 2020



# **REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION**

**May 12, 2020**

## **FROM**

**MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino**

## **SUBJECT**

Contract Amendment with Applied Real Estate Analysis, Inc. for the Review of Existing Local Rental Housing Submarkets.

## **RECOMMENDATION(S)**

1. Approve Amendment No. 3 to Contract No. PC990 with Applied Real Estate Analysis, Inc. for local rental housing submarket analysis services increasing the current contract amount by \$31,118 for a total contract amount not to exceed \$122,986.70 for services provided during the one-year option period through February 22, 2021.
2. Authorize and direct the Executive Director to execute and deliver the contract amendment to Applied Real Estate Analysis, Inc., and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.

(Presenter: Maria Razo, Executive Director, 332-6305)

## **GOALS & OBJECTIVES**

**HACSB is a leading developer and provider of affordable housing in the County of San Bernardino.**

**HACSB residents live in safe and desirable homes and communities where they can develop and prosper.**

**HACSB has secured the resources needed for accomplishing its mission.**

## **FINANCIAL IMPACT**

This contract is not expected to exceed \$122,986.70 for the term of the contract February 23, 2018 through February 22, 2021, including \$31,118 for the one year option period through February 22, 2021, which is included within the Housing Authority of the County of San Bernardino (HACSB) approved budget.

## **BACKGROUND INFORMATION**

In 2011, through its Moving to Work (MTW) flexibilities, HACSB implemented the Local Payment Standards activity. The activity allows HACSB to conduct a market assessment to identify local rental submarkets and to implement Local Payment Standards for those submarket areas in lieu of the United States Department of Housing and Urban Development's (HUD) prescribed Fair Market Rents, which too broadly compare both San Bernardino and Riverside Counties. A third party conducted a market assessment of the County and identified nine local rental submarkets and the corresponding market rents. The Local Payment Standards are reviewed and updated annually.

On February 13, 2018, the San Bernardino County Housing Commission approved a contract with Applied Real Estate Analysis, Inc. (AREA, Inc.) for review of the existing local submarkets and Local Payment Standards. The original contract included a two-year base period with the option to exercise up to three one-year extensions. Staff is recommending approval to authorize the Executive Director to execute this proposed amendment to increase the contract amount for

AREA, Inc. to perform the annual update of the Local Payment Standards. No change to the scope of work is requested. AREA, Inc. will provide a written report of findings and any recommended changes.

**PROCUREMENT**

HACSB previously issued a Request for Proposal (RFP) PC990 on November 30, 2017, which resulted in the receipt of two proposals. Proposals were evaluated per the requirements of the RFP in which Applied Real Estate Analysis, Inc. was the most qualified and most responsive vendor selected to provide these services to the HACSB.

The attached proposed amended contract includes information on all amendments to this contract.

**REVIEW BY OTHERS**

This item has been reviewed by Legal Counsel (Julie J. Surber, Principal Assistant County Counsel, 387-5455) on April 23, 2020



**AMENDMENT #3 TO CONTRACT FOR REVIEW OF EXISTING  
LOCAL RENTAL HOUSING SUBMARKETS  
(PC990)**

**BETWEEN**

**THE HOUSING AUTHORITY OF THE  
COUNTY OF SAN BERNARDINO**

**And**

**APPLIED REAL ESTATE ANALYSIS, INC.**

This Amendment No. 3, dated May 13, 2020 ("Third Amendment"), to Contract for Review of Existing Local Rental Housing Submarkets (PC990), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body ("Authority") and Applied Real Estate Analysis, Inc. an Illinois corporation ("Contractor").

**RECITALS**

**WHEREAS**, the Authority and Contractor entered into that certain Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated February 23, 2018, relating to review of existing local rental housing submarkets ("Agreement") with an Agreement Price of \$83,517.00;

**WHEREAS**, the Authority and Contractor entered into Amendment No. 1 to the Agreement, dated June 25, 2018, to revise the scope of work with regard to deliverable dates, with no change to the Agreement Price;

**WHEREAS**, the Authority and Contractor entered into Amendment No. 2 to the Agreement, dated February 21, 2020, to exercise option year one of the Agreement to extend the Agreement through February 22, 2021 and increase the Agreement by 10% to cover the cost of the initial stage of work for the 2020 updates with an increase in the Agreement Price of \$8,351.70.

**OPERATIVE PROVISIONS**

**NOW, THEREFORE**, the foregoing Recitals being true and correct, and in consideration of the mutual covenants and obligations contained in this Third Amendment by the Parties and other consideration, the sufficiency of which is hereby expressly acknowledged, the Parties hereto agree as follows:

**Section 1.** Article 1, Statement of Work, of the Agreement is amended to read as follows:

**“Article 1. Statement of Work.** Contractor shall furnish all labor, materials, tools, equipment, and supervision to perform all work required in the Statement of Work set forth on Exhibit “A-1”, attached hereto and incorporated herein by this reference and as may be amended by the Parties from time to time (the “Work”). In connection with its performance of the Work, Contractor shall comply with all of the Contract Documents (as hereinafter defined).”

**Section 2.** References to Exhibit “A” shall mean Exhibits “A-1” and “A-2”, attached hereto and incorporated herein by this reference.

**Section 3.** Pursuant to Article 3 of the Agreement, the Agreement is hereby commencing on February 23, 2018 and expiring on February 22, 2021.

**Section 4.** Article 4 of the Agreement is amended to read as follows:

**“Article 4. Price.** HACSB agrees to pay Contractor for the provision of the Work the total not-to-exceed sum as shown in the Agreement Price set forth on Exhibit “A-2”, and as may be amended by the Parties from time to time (the “Agreement Price”).”

**Section 5.** The effective date of this amendment is May 13, 2020.

EXCEPT AS AMENDED HEREBY ALL OTHER TERMS AND CONDITIONS OF THE AGREEMENT REMAIN IN FULL FORCE AND EFFECT.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and Applied Real Estate Analysis, Inc. have signed the amendment.

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**APPLIED REAL ESTATE ANALYSIS, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**HOUSING AUTHORITY OF THE COUNTY OF  
SAN BERNARDINO**

By: \_\_\_\_\_

Name: Maria Razo

Title: Executive Director

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

## **Exhibit A-1**

### **Statement of Work**

- A. Review of Existing Local Rental Housing Submarkets.** A review of the nine (9) existing local rental housing submarkets within the County of San Bernardino. The review shall determine if the existing submarket boundaries are appropriately placed. Contractor will provide a written report of findings and any recommended changes, including documentation to substantiate such recommendation. **This deliverable is due to HACSB by May 1, 2018.** The written report shall include:
1. Review of previously designated rental submarkets;
  2. Review map of the previously designated rental submarkets including census tracts and zip codes;
  3. Description of and supporting data for any recommended changes to submarket boundaries. This description must provide the data sources and document the process so the results can be independently reproduced;
  4. Characteristics of each submarket, including:
    - i. Number of single-family, duplex, condominium, senior/disabled, and multi-family homes in each submarket;
    - ii. Number of single-family, duplex, condominium, senior/disabled, and multi-family homes surveyed in each submarket;
    - iii. Average square footage, amenities, utility arrangements, and age of properties for efficiency (studio), 1-, 2-, 3-, 4-, and 5-bedroom units in each submarket; and
    - iv. Supply and demand characteristics for each submarket, including vacancy rates.
- B. Submarket Descriptive Information.** A written report of descriptive information for each submarket. The report should include information for each submarket inclusive of any recommended changes to the submarket boundaries. **This deliverable is due to HACSB by July 23, 2018.** The written report shall include the following information for each submarket broken out by census tract:
1. Income statistics;
  2. Employment statistics;
  3. Age statistics;
  4. Racial and ethnic composition;
  5. Poverty rate;
  6. Gender statistics;
  7. Vacancy rates;
  8. Crime statistics on Part 1 and Part 2 crime data (Part 1 crimes include homicide, rape burglary, larceny, robbery, arson and aggravated assault. Part 2 crimes are everything else);
  9. Description of surrounding land uses and zoning (e.g. commercial, industrial, undeveloped land, residential, etc.); and
  10. Property values: median values and 12-month trends;
  11. School data, (e.g. location, type, rating).
- C. Update to Local Payment Standards.** A review of and update to the current schedule of Local Payment Standards for each of the submarkets. Contractor will provide a written report of findings and any recommended changes, including documentation to substantiate such changes, and a schedule of recommended Local Payment Standards for units ranging from zero (efficiency/studio) to five (5) bedrooms for each submarket. **This deliverable is**

**due to HACSB by July 23, 2018; and final report due July 1<sup>st</sup> of each subsequent contract year – discussion drafts due 30 days prior.** The Local Payment Standard schedule shall be based upon a survey of units within the County of San Bernardino:

1. Including units ranging from zero (efficiency/studio) to five (5) bedrooms for each submarket;
2. Including multi-family and single-family units;
3. Including modest units with suitable amenities;
4. Excluding public housing or subsidized housing; and
5. Excluding luxury units.

The survey must include a sufficient number of units to be an accurate and reliable estimate of market rents. The Local Payment Standard schedule shall:

1. Be based upon the shelter rent only for units surveyed. For the purposes of this RFP and the resulting contract, “shelter rent” is defined as the cost to rent the living space only and includes the cost of any utilities that may be included in the rent per the lease. Shelter rent does not include add-on charges for non-shelter amenities such as gym access, garage/storage space rental, etc.; and
2. Be based upon a monthly average of rent over logical recent time frame, not a one-month snapshot of rents.

The written report shall include:

1. Supporting documentation that describes the method of calculation and the sources of information used to develop the Local Payment Standards to ensure that the results are independently reproducible; and
2. A projection of Local Payment Standards one year from the date of the report.

**Exhibit A-2**  
**Work Authorization**

**Schedule Dates:**

Start Date: May 13, 2020

Completion Date: February 22, 2021

**Total Agreement Price: Not to exceed \$122,986.70**

<b>Option Year/Data Collection Year</b>	<b>Total Cost:</b>
Option Year One (2020)	\$31,118.00

Statement of Work ("Exhibit A-1")

Work Authorization ("Exhibit A-2")

General Conditions for Non-construction work ("Exhibit B")



# **REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION**

**May 12, 2020**

## **FROM**

**MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino**

## **SUBJECT**

**2019-2020 Annual Moving to Work Plan, Amendment 3**

## **RECOMMENDATION(S)**

Adopt Resolution No. 85 approving the Housing Authority of the County of San Bernardino's Annual Moving to Work Plan for Fiscal Year 2019-2020, Amendment 3.  
(Presenter: Maria Razo, Executive Director, 332-6305)

## **GOALS & OBJECTIVES**

**HACSB has secured the resources needed for accomplishing its mission.**

**HACSB is a leading developer and provider of affordable housing in the County of San Bernardino.**

**HACSB clients live in safe and desirable homes and communities where they can develop and prosper.**

## **FINANCIAL IMPACT**

This amendment to the Housing Authority of the County of San Bernardino's (HACSB) Moving to Work (MTW) plan will not have a significant impact on the HACSB budget.

## **BACKGROUND INFORMATION**

On March 14, 2008, HACSB was designated by the United States Department of Housing and Urban Development (HUD) as a Moving to Work (MTW) agency. The objectives of the MTW program are to increase housing choice for low-income families, encourage households to pursue self-sufficiency, and improve administrative and operational cost effectiveness. To accomplish these objectives, the MTW designation allows Public Housing Agencies (PHA) to develop and implement programs to design and test innovative local housing and self-sufficiency initiatives by waiving certain statutes and HUD regulations. In accordance with the MTW Agreement, each year HACSB is required to prepare and submit an MTW Annual Plan that describes proposed MTW activities for the coming year. On June 11, 2019, the San Bernardino County Housing Commission (Item No. 8) approved our Fiscal Year 2019-2020 Annual MTW Plan (Plan), which then was approved by HUD on October 16, 2019. On March 10, 2020, the HACSB Board of Commissioners approved Amendment 1 to the Plan, which was submitted to HUD on March 16, 2020, and approved March 18, 2020. On April 14, 2020, the HACSB Board of Commissioners ratified Amendment 2 to the Plan, which was submitted to HUD on April 1, 2020, and was approved by HUD on April 3, 2020.

The proposed 2019-2020 Annual MTW Plan, Amendment 3, modifies and renames the previously approved MTW Activity 27 – Local Project-Based Voucher Subsidy for Tax Credit Developments. The activity is renamed “Local Project-Based Voucher Subsidy for Developments Using Tax Credit Rents.” Currently, the activity applies only to 116 Rental Assistance Demonstration (RAD) project-based voucher (PBV) units located at the Crestview Terrace community, phase II of the

Waterman Gardens affordable housing redevelopment. For these 116 units, the activity allows HACSB to set the housing subsidy based upon the RAD subsidy received from HUD, and to set the tenant rent portion at the tax credit rent. Hardship exemptions are available to provide relief to families who are rent burdened under the activity.

The proposed modification will expand the activity to include eight new PBV units located at the Daycreek Villas community in Rancho Cucamonga and the flexibility to apply it to future PBV units. Additionally, the housing subsidy for the eight units at Daycreek Villas and future PBV units will be set at \$700 per month. The housing subsidy may be increased only by applying an escalation factor established by HACSB and not to exceed the lower of an amount verified through rent reasonableness or the HUD-published Operating Cost Adjustment Factor (OCAF). Hardship exemptions will be available to families residing in PBV units subject to this activity, and will mirror the existing hardship exemption criteria.

A legal notice regarding the proposed 2019-2020 Annual MTW Plan, Amendment 3, was published in seven local newspapers between March 26 and April 2, 2020. The notice and the proposed plan were also made available on HACSB's website beginning March 18, 2020. The required public comment period ran from March 18, 2020, through April 17, 2020, and two public hearings on the matter were held on April 7, 2020, at 10:00 a.m. and April 16, 2020, at 3:00 p.m. virtually via Zoom. No members of the public attended and no public comments were received.

A complete copy of the 2019-20 Annual MTW Plan, Amendment 3, can be found at <http://www.hacsb.com/news-reports/mtw-plans-reports-factsheets>.

#### **PROCUREMENT**

Not applicable.

#### **REVIEW BY OTHERS**

This item has been reviewed by Legal Counsel (Julie J. Surber, Principal Assistant County Counsel, 387-5455) on April 23, 2020

**HOUSING AUTHORITY RESOLUTION NO. 2020-85**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE  
COUNTY OF SAN BERNARDINO ADOPTING THE 2019-20 ANNUAL MOVING TO WORK PLAN,  
AMENDMENT 3**

**RECITALS**

**WHEREAS**, the Housing Authority of the County of San Bernardino (HACSB) entered into a Moving to Work (MTW) contract with the United States Department of Housing and Urban Development (HUD) effective March 14, 2008, which governs the regulations of the administration of the Housing Choice Voucher and Public Housing programs; and

**WHEREAS**, as a MTW agency the HACSB is required to and has prepared an Annual MTW Plan which describes its operations and activities as an MTW agency; and

**WHEREAS**, the HACSB desires to modify and rename the previously approved MTW Activity 27 - Local Project-Based Voucher Subsidy for Tax Credit Developments, in order to expand the activity to additional developments utilizing HACSB project-based vouchers; and

**WHEREAS**, the HACSB has developed its Fiscal Year 2019-20 Annual MTW Plan, Amendment 3, to include the proposed modification to MTW Activity 27.

**OPERATIVE PROVISIONS**

**NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY  
OF THE COUNTY OF SAN BERNARDINO DOES RESOLVE AS FOLLOWS:**

Section 1. The Board of Commissioners finds that all of the facts set forth in the Recitals are true and correct, and are incorporated herein by reference.

Section 2. The Board of Commissioners hereby approves the proposed Fiscal Year 2019-20 HACSB Annual MTW Plan, Amendment 3.

Section 3. A complete copy of the 2019-20 Annual MTW Plan, including Amendment 3, can be found at <http://www.hacsb.com/news-reports/mtw-plans-reports-factsheets>.

Section 4. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of San Bernardino, by the following vote:

AYES:

NOES:

ABSENT:

STATE OF CALIFORNIA                     )  
   )  
COUNTY OF SAN BERNARDINO        )       ss.

I, \_\_\_\_\_, Secretary of the Board of Commissioners of the Housing Authority of the County of San Bernardino, hereby certify the foregoing to be a full, true and correct copy of the record

of the action taken by the Board of Commissioners, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of Tuesday,           , 20   .

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Secretary

## NOTICE OF PUBLIC HEARING

On March 14, 2008, the U.S. Department of Housing and Urban Development (HUD) executed a ten-year Moving to Work (MTW) Agreement with the Housing Authority of the County of San Bernardino (HACSB) and in April 2016 that agreement was extended through 2028. As a MTW agency, HACSB is provided with more flexibility and authorization to develop policies that are outside the limitations of certain HUD regulations in order to more successfully achieve its mission and program goals, and to enhance its ability to serve the needs of low-income families in San Bernardino County.

In continuing to develop its MTW program and address community and client needs, HACSB has prepared its Fiscal Year (FY) 2019-20 Annual MTW Plan, Amendment 3. The Plan will be made available to the public for review for 30 days starting Wednesday, March 18, 2020, on HACSB's website at <http://www.hacsb.com/news-reports/mtw-plans-reports-factsheets>.

Notice is hereby given that HACSB will conduct two public hearings regarding the proposed Plan on Tuesday, April 7, 2020 at 10:00 a.m. and Thursday, April 16, 2020, at 3:00 p.m. Both public hearings will be held online and by telephone as virtual meetings through Zoom. To participate in a virtual public hearing, please visit the Zoom website or call in using the information below.

### **Tuesday, April 7, 2020, at 10:00 a.m. (PDT)**

#### **To join online:**

- **Go to:** <https://zoom.us/j/776247204>
- **Enter Meeting ID:** 776 247 204

#### **To join by phone:**

- **Dial:** 1-669-900-6833
- **Enter meeting ID:** 776 247 204

### **Thursday, April 16, 2020, at 3:00 p.m. (PDT)**

#### **To join online:**

- **Go to:** <https://zoom.us/j/928278344>
- **Enter meeting ID:** 928 278 344

#### **To join by phone:**

- **Dial:** 1-669-900-6833
- **Enter meeting ID:** 928 278 344

Instructions for joining an online meeting through Zoom are available at:

[https://support.zoom.us/hc/en-us/articles/206618765-Zoom-Video-Tutorials?flash\\_digest=7e82b55704dea5980d0c6ba820b0e2a961d917ec](https://support.zoom.us/hc/en-us/articles/206618765-Zoom-Video-Tutorials?flash_digest=7e82b55704dea5980d0c6ba820b0e2a961d917ec)

Accessibility features for Zoom online meetings are available at:

<https://zoom.us/accessibility>

If a citizen wishes to challenge the nature of the above action(s) in court he/she may be limited to raising only those issues he/she or someone else raised at the public hearing described in this notice, or in written correspondence mailed to the HACSB Administrative Office, ATTN: MTW Team, 715 E. Brier Drive, San Bernardino, CA 92408 prior to the close of the public comment period on April 17, 2020.

In accordance with the Rehabilitation Act of 1973, HACSB will make reasonable efforts to accommodate persons with disabilities. Please call (909) 890-0644 at least three days in advance if you require special accommodations.

*HACSB offers language assistance free of charge. For assistance with this document, please contact our office at (909) 890-0644.*

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Equal Housing Opportunity.

2020

*Moving to Work*

# ANNUAL PLAN

Housing Authority of the County of San Bernardino



*Building Communities  
Changing Lives*

MTW DESIGNATED AGENCY





## BOARD OF SUPERVISORS



**Robert A. Lovingood**  
First District Supervisor



**Janice Rutherford**  
Second District Supervisor



**Dawn Rowe**  
Third District Supervisor



**Curt Hagman**  
Chairman  
Fourth District Supervisor



**Josie Gonzales**  
Vice Chair  
Fifth District Supervisor



**Gary McBride**  
Chief Executive Officer

## HOUSING COMMISSION



**Timothy Johnson**  
Chairman



**Sylvia Miller**  
Vice Chairman



**Beau Cooper**



**Jesse Munoz**



**Carol Yule**



**Cassie MacDuff**





## OUR MISSION

HACSB empowers all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

## OUR VISION

HACSB is committed to creating a world in which all people have a stable and enriched quality of life.

## OUR CORE VALUES

**RESPECT** | We believe that all people should have a stable and enriched quality of life and should be afforded the opportunity to not only survive, but to thrive in environments that are sensitive to and encourage respect and empathy for individual circumstances.

**SAFETY** | We believe that all residents deserve a safe and secure living environment that is crime and distraction free and where families can feel good about raising their children.

**INTEGRITY** | We believe that there is a strong, mutually-reinforcing connection between the integrity of our staff/programs and the success of our clients. Integrity building within our organization is key toward fulfilling our mission statement.

**SERVICE** | We believe that in order to be successful we must serve the public by being effective stewards of its financial resources and by developing a customer service business model based on benchmarks and measurements.



# Housing Authority of the County of San Bernardino **EXECUTIVE MANAGEMENT TEAM**



**Maria Razo**  
Executive Director



**Gustav Joslin**  
Deputy Executive Director



**Jennifer Dawson**  
Director of Human Resources



**Ana Gamiz**  
Director of Policy and Public Relations



**Rishad Mitha**  
Director of Operations

## **FOR MORE INFORMATION**

Should you have any questions or need additional information, please contact Nicole Beydler at: [nbeydler@hacsb.com](mailto:nbeydler@hacsb.com).

HACSB offers language assistance free of charge. For assistance with this document, please contact our office at 909.890.0644.

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# Section I: Introduction

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For over 70 years, the Housing Authority of the County of San Bernardino (HACSB) has been one of the leading providers of affordable housing in the County of San Bernardino. The County of San Bernardino is the largest county in the contiguous United States consisting of 24 cities and covering over 20,000<sup>1</sup> square miles of land, and with a population of more than 2.17 million individuals<sup>1</sup>. The population of San Bernardino County is estimated to have grown by 6%<sup>2</sup> between 2010 and 2017 and is expected to rise by 28%<sup>1</sup> between 2020 and 2045. HACSB proudly serves more than 30,000 people, most of whom are seniors, disabled individuals and children.

Our agency's success is a result of our business approach to strategic planning and delivery of services. We strive to design our program as a stepping stone, providing housing stability to our families on their path to economic independence. In alliance with an extensive list of community partners, government agencies, employment service providers, and institutions of higher education, we provide family/individual case management and counseling, assist with career training and job placement, and ensure program integrity. These efforts are building blocks to achieve our mission and vision while upholding our core values of respect, safety, integrity and service.

**HACSB Mission Statement** - Empower all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

**HACSB Vision** – HACSB is committed to creating a world in which all people have a stable and enriched quality of life.

**HACSB Values** - HACSB strives to be a key participant in supporting and improving the community it serves. HACSB seeks to streamline its programs and establish a higher standard of services to the community. Our core values of respect, safety, integrity and service will guide us in accomplishing our Mission and Vision.

<sup>1</sup> San Bernardino County 2018 Community Indicators Report

<sup>2</sup> Census Quick Facts 2017

## What is in this plan?

This Fiscal Year 2020 Moving to Work Annual Plan complies with the format required by the U.S. Department of Housing and Urban Development (HUD) as outlined in the 2008 Amended and Restated Moving to Work (MTW) Agreement between HUD and HACSB, and also complies with the requirements set forth by HUD in Form 50900. This Plan is separated into the following sections:

- *Section I: Introduction* provides an overview of the layout of the document and HACSB's short term and long term goals.
- *Section II: General Housing Authority Operating Information* provides an overview of the agency's housing portfolio, leasing rates, and wait list information. **No changes are made to this section through this amendment.**
- *Section III: Proposed MTW Activities* contains proposed changes to currently active MTW activities that we plan to pursue in FY 2020. **This section contains the re-proposed MTW Activity 27.**
- *Section IV: Approved MTW Activities* provides information on previously approved uses of MTW authority. **No changes are made to this section through this amendment.**
- *Section V: Sources and Uses of Funds* describes the agency's projected revenues and expenditures for FY 2020, local asset management program and use of MTW Block Grant fungibility. **No changes are made to this section through this amendment.**
- *Section VI: Administrative* provides required administrative information. **No changes are made to this section through this amendment.**

## What is "Moving to Work"?

Moving to Work (MTW) is a U.S. Department of Housing and Urban Development (HUD) demonstration program for housing authorities to design and test innovative housing and self-sufficiency initiatives targeted to address local needs. The MTW designation allows participating agencies to waive certain statutes and HUD regulations in order to increase housing choice for low-income families, encourage households to pursue self-sufficiency, and improve administrative and operational cost effectiveness.

As a high-performing, innovative and progressive agency, HACSB received its MTW designation in 2008. In April 2016 the MTW agreement was extended for an additional ten years through 2028. HACSB has completed nine years of participation, and during that time we have developed 26 MTW initiatives. Through the MTW designation HACSB continues to test new methods to improve housing services and to better meet local needs.

A brief timeline of our MTW Plans and Reports follows.

MTW Plan	Approved by HUD
FY 2009 MTW Plan	September 25, 2008
• Amendment 1	• June 29, 2009
FY 2010 MTW Plan	September 30, 2009
• Amendment 1	• November 18, 2009
• Amendment 2	• February 22, 2010
• Amendment 3	• September 15, 2010
FY 2011 MTW Plan	October 18, 2010
FY 2012 MTW Plan	October 5, 2011
• Amendment 1	• November 4, 2011
FY 2013 MTW Plan	September 27, 2012
FY 2014 MTW Plan	May 14, 2014
FY 2015 MTW Plan	February 13, 2015
• Amendment 1A	• May 11, 2015
• Amendment 1B	• N/A. Proposed changes moved to 2017 MTW Plan.
• Amendment 2	• N/A. Proposed changes moved to 2017 MTW Plan.
FY 2016 MTW Plan	November 4, 2015
FY 2017 MTW Plan	February 2, 2017
• Amendment 1	• April 3, 2017
• Amendment 2	• September 27, 2017
FY 2018 MTW Plan	October 25, 2017
FY 2019 MTW Plan	October 1, 2018
• Amendment 1	• May 7, 2019
• Amendment 2	• September 18, 2019
FY 2020 MTW Plan	October 16, 2019
• Amendment 1	• March 18, 2020
• Amendment 2	• Not yet approved
• Amendment 3	• This amendment

MTW Report	Accepted by HUD
FY 2009 MTW Report	April 22, 2010
FY 2010 MTW Report	March 21, 2011
FY 2011 MTW Report	March 20, 2012
FY 2012 MTW Report	July 19, 2013
FY 2013 MTW Report	December 31, 2013
FY 2014 MTW Report	December 31, 2014
FY 2015 MTW Report	December 22, 2015
FY 2016 MTW Report	August 16, 2018
FY 2017 MTW Report	October 4, 2018
FY 2018 MTW Report	October 10, 2019
FY 2019 MTW Report	February 28, 2020

## Overview of Agency's Goals and Objectives

### Long-Term Goals

Prior to our MTW designation in 2008, HACSB completed a 30-year strategic planning process to develop the agency's long-term goals. These goals serve to guide us toward achieving our mission and vision. Our short-term milestones and annual accomplishments mark our progress toward realizing the 30-year strategic goals.

Our strategic 30 years goals are:

HACSB 30-Year Strategic Goals	
<b>Strategic Goal 1:</b>	No eligible family waits longer than 10 days for housing
<b>Strategic Goal 2:</b>	Clients have achieved their own personal level of stability and economic independence
<b>Strategic Goal 3:</b>	For those whom a transition is appropriate, the maximum stay in assisted living is 5 years
<b>Strategic Goal 4:</b>	HACSB leaders and supporters are innovative policy makers and influencers of legislation
<b>Strategic Goal 5:</b>	HACSB has secured the resources needed for accomplishing its mission
<b>Strategic Goal 6:</b>	HACSB is a leading developer and provider of affordable housing in the County of San Bernardino
<b>Strategic Goal 7:</b>	HACSB is adequately staffed with well trained and fully developed employees
<b>Strategic Goal 8:</b>	HACSB communication is open, honest and consistent
<b>Strategic Goal 9:</b>	HACSB employees have a high level of morale
<b>Strategic Goal 10:</b>	HACSB clients, programs and properties are embraced by all communities
<b>Strategic Goal 11:</b>	HACSB clients live in safe and desirable homes and communities where they can develop and prosper

The flexibilities provided through our MTW designation assist in our efforts to achieve our long term goals, and our long-term vision aligns with the statutory objectives of the MTW program. HACSB currently has 26 approved MTW activities. Twelve activities address the objective of operational efficiency, nine assist families with their economic independence efforts, and five help expand housing opportunities. As good stewards of taxpayers' dollars, we ensure optimal use of funds to provide the best quality services to our families. We continually seek to implement innovative solutions that streamline processes, increase efficiency, and help families achieve economic independence. Proactive planning has helped us face the consecutive budget reductions while increasing the number of families served and services provided.



## Short-Term Goals

Our long-term goals align with the MTW statutory objectives and our vision of creating a world in which all people have a stable and enriched quality of life. We achieve MTW objectives by aligning our agency's short-term strategic goals with our MTW goals/objectives-

- **Goal 1 - Operational efficiency through innovation** – *Maximizing HACSB's economic viability and sustainability through the following strategies:*
  - Ensure excellent and efficient stewardship of resources and programs
  - Maintain a workplace environment that attracts and retains capable employees who feel they are making a difference
  - Have an increasingly diverse number of funding sources to provide the programs and services described in the strategic plan
  - Develop a communication program that effectively disseminates information inside and outside the Agency
  - Provide world class customer service

In addition to implementing non-MTW activities to address this goal, we have implemented twelve MTW activities that address this goal (listed in the following table with a statutory objective of "cost effectiveness").

- **Goal 2 – Develop economically independent clients** – *Facilitating opportunities for families and individuals to become self-sufficient and financially independent to transition from dependency on housing subsidy through the following strategies:*
  - Develop and maintain policies programs, and services that foster accountability, responsibility and economic independence
  - Transform client mindset from entitlement to empowerment
  - Partner with external organizations to support clients in acquiring life skills, education and training
  - Assist families in strengthening personal accountability and in transitioning to Home Ownership/Market rentals

In addition to implementing non-MTW activities to address this goal, we have implemented nine MTW activities that address this goal (listed under the self-sufficiency statutory objective in the following table).

- **Goal 3 – Ensure freedom of housing choice** – *Providing quality affordable housing opportunities in mixed-income communities with access to excellent quality of life through the following strategies:*
  - Improve and expand HACSB's real estate assets
  - Partner with external organizations to leverage funding and development opportunities
  - Develop innovative programs to expand housing opportunities for under-served populations such as homeless veterans and homeless families with children

In addition to implementing the above non-MTW activities to address this goal, we have developed or implemented four MTW activities that address this goal (listed under the housing choice statutory objective on the following table).

The following table shows a list of activities that were included in our MTW Annual Plans.

ACTIVITY	DESCRIPTION	STATUTORY OBJECTIVE	PLAN YEAR	STATUS
<b>Activity 1</b>	Single Fund Budget	Cost Effectiveness	FY 2009	Implemented
<b>Activity 2</b>	Strategic Investment Policies	Cost Effectiveness	FY 2009	Closed Out
<b>Activity 3</b>	Alternate Assessment Program	Cost Effectiveness	FY 2009	On Hold
<b>Activity 4</b>	Biennial and Triennial Recertifications	Cost Effectiveness	FY 2009	Implemented
<b>Activity 5</b>	Simplified Income Determination	Cost Effectiveness	FY 2009	Implemented
<b>Activity 6</b>	Elimination of Assets	Cost Effectiveness	FY 2009	Closed Out
<b>Activity 7</b>	Controlled Program Moves	Cost Effectiveness	FY 2009	Closed Out
<b>Activity 8</b>	Local Policies for Portability	Economic Self-Sufficiency	FY 2009	Implemented
<b>Activity 9</b>	Elimination of Earned Income Disallowance	Economic Self-Sufficiency	FY 2009	Closed Out
<b>Activity 10</b>	Minimum Rent	Economic Self-Sufficiency	FY 2009	Implemented
<b>Activity 11</b>	Local Project-Based Voucher Program	Expanding Housing Opportunities	FY 2009	Implemented
<b>Activity 12</b>	Local Payment Standards	Expanding Housing Opportunities	FY 2009	Implemented
<b>Activity 13</b>	Local Inspection Standards	Cost Effectiveness	FY 2010	Implemented
<b>Activity 14</b>	Local Asset Management Program	Cost Effectiveness	FY 2010	Implemented
<b>Activity 15</b>	Pilot Work Requirement	Economic Self-Sufficiency	FY 2010	Closed Out
<b>Activity 16</b>	Operating Subsidy for Vista del Sol	Expanding Housing Opportunities	FY 2010	Closed Out
<b>Activity 17</b>	Local Income Inclusion	Economic Self-Sufficiency	FY 2011	Closed Out
<b>Activity 18</b>	Property Management Innovation	Cost Effectiveness	FY 2011	Implemented
<b>Activity 19</b>	Local FSS program	Economic Self-Sufficiency	FY 2011	Implemented
<b>Activity 20</b>	Term-Limited Lease Assistance Program	Economic Self-Sufficiency	FY 2011	Implemented
<b>Activity 21</b>	Utility Allowance Reform	Cost Effectiveness	FY 2012	Closed Out
<b>Activity 22</b>	Streamlined Lease Assistance Program	Cost Effectiveness	FY 2013	Implemented

<b>Activity 23</b>	No Child Left Unsheltered	Economic Self-Sufficiency	FY 2014	Implemented
<b>Activity 24</b>	Transition for Over-Income Families	Economic Self-Sufficiency	FY 2014	Implemented
<b>Activity 25</b>	Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing	Expanding Housing Opportunities	FY 2016	Implemented
<b>Activity 26</b>	Local Disaster Short-Term Rental Assistance	Expanding Housing Opportunities	FY 2019 Amendment 1	Implemented
<b>Activity 27</b>	Local Rent and HACSB Subsidy Calculation for Project-Based Vouchers	Expanding Housing Opportunities	FY 2019 Amendment 2	Pending Approval - Not Implemented

## Accomplishments

HACSB has made progress toward our long-term strategic goals in the following ways:

- **Goal 1 - Operational efficiency through innovation** – Maximizing HACSB’s economic viability and sustainability:
  - In FY 2017 the HACSB team finalized a contract with a client database software for upgrade in FY 2018.
  - Implemented a new on-line training system for employees.
  - Created and enhanced a comprehensive asset performance and quality control program for all HACSB properties.
- **Goal 2 – Develop economically independent clients** – Facilitating opportunities for families and individuals to become self-sufficient and financially independent to transition from dependency on housing subsidy:
  - Enhanced economic opportunities for youth and young adults by implementing a Youth Employment Program which provides program participants between the ages of 16-24 with 6 months of subsidized employment. Twenty-five youth and young adults committed to the program, during the fiscal year, to gain employment experience, improve work skills, and become self-sufficient. Launched a new Employment, Training, and Resource page on the agency’s website where participant families can conveniently gain access to local opportunities that meet the specific needs of their households. Expanded scholarship application submission period from once a year to quarterly to accommodate lifetime learners who often have non-traditional terms. Participated in several collaborative employment resource and opportunity events for participants to connect with local employers and resource organizations.

- **Goal 3 – Ensure freedom of housing choice** – *Providing quality affordable housing opportunities in mixed-income communities with access to excellent quality of life:*
  - Phase I of on-site construction at the Waterman Gardens Public Housing site was completed, (62-units), and a groundbreaking was held on September 28, 2017.
  - Phase I of construction for Horizons at Yucaipa Senior Housing Community was completed and a grand opening was held on June 6, 2017. All 50 units are Project-Based Voucher units.
  - Acquired Golden Apartments, 21 units expected to be converted to 38 units post-rehabilitation work. Purpose is to provide permanent supportive housing for chronically homeless.
  - Acquired Queens Motel, 61 units expected to be converted to 31 units post rehabilitation work. Purpose is to provide permanent supportive housing for chronically homeless.
  - Completed Phase 1 of RAD conversion (552 units) – this conversion has allowed us to address deferred capital improvements.
  - Our full\* Public Housing portfolio was approved for the Rental Assistance Demonstration Program, and conversion began in 2016. The program will convert the Public Housing subsidies into a long-term, Project-Based Section 8 rental assistance subsidy, which will provide stable and predictable revenues allowing HACSB to apply for Low-Income Housing Tax Credits and other sources of financing to fund Public Housing renovations. \*With the exception of the 98 Public Housing units acquired through the Upland Housing Authority voluntary process. These units are on the current RAD waiting list.
  - Continued to support expansion of affordable housing through partnerships with developers. HACSB is currently involved with projects in Colton, Loma Linda, Redlands, San Bernardino, Victorville, and Yucaipa.

The HACSB affiliate non-profit, KEYS, has been restructured to focus on supporting rapid rehousing and stabilization services for special populations with a current focus on homeless families with children and homeless veterans and their families. Through its various programs, in 2017, KEYS housed 558 homeless families. Serving the needs of our residents and helping them on their path to economic independence is a priority at HACSB. The administrative efficiencies achieved through our activities helped create the Career Development Initiatives (CDI) Department that works closely with our families to further our strategic goal of transforming clients' mindsets from entitlement to empowerment. We have also repositioned assets and implemented innovative activities to create quality housing choices for our families.

We are confident that through our long term strategic planning and collaboration with community partners, we will reach our mission of empowering all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout the County of San Bernardino.

## Section II: General Operating Information

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This section provides an overview of the Housing Authority of the County of San Bernardino's (HACSB) housing portfolio, leasing, and waiting list information.

### Agency Overview

HACSB provides affordable housing assistance to more than 10,000 families throughout the County of San Bernardino through the Public Housing program, the Housing Choice Voucher Programs, and special programs such as Shelter Plus Care, Veterans Administration Supportive Housing (VASH) vouchers, Mainstream, and also through our authority-owned portfolio. We provide families a stepping stone through difficult economic times and, in conjunction with community partners, assist them on their path to economic independence.

In September 2016, the Housing Authority of the City of Upland (UHA) and HACSB submitted an application to the U.S. Department of Housing and Urban Development (HUD) for the voluntary transfer of UHA's Housing Choice Voucher (AKA "Section 8") and Public Housing programs to HACSB effective July 1, 2017. The application was approved by HUD for the Housing Choice Voucher program on June 16, 2017, and for the Public Housing program on June 29, 2017. The process resulted in the transfer of 98 Public Housing units and 624 Housing Choice Vouchers from UHA to HACSB on July 1, 2017. Thereafter, HACSB assumed responsibility for both programs and began providing all services to the families served through those programs. Information about the transferred units and families and how HACSB's moving to Work initiatives apply to those units and families is included in this Plan. No changes are made relative to those units and families are made through this 2020 Annual MTW Plan.

### A. Housing Stock Information

The majority of HACSB's funding from HUD comes in the form of a block grant that combines the Public Housing operating fund, Public Housing capital fund, and MTW Housing Choice Voucher funding into one funding source for HACSB. These funds are used to support the units described in the following tables.

### *i. Planned New Public Housing Units*

HACSB does not anticipate adding new Public Housing units in fiscal year 2019-2020.

ASSET MANAGEMENT PROJECT (AMP) NAME AND NUMBER	BEDROOM SIZE					TOTAL UNITS	POPULATION TYPE	# OF UNIFORM FEDERAL ACCESSIBILITY STANDARDS (UFAS) UNITS	
	0/1	2	3	4	5			FULLY ACCESSIBLE	ADAPTABLE
N/A	-	-	-	-	-	0	N/A	0	0
TOTAL PUBLIC HOUSING UNITS TO BE ADDED IN THE PLAN YEAR						0		0	0

### *ii. Planned Public Housing Units to be Removed*

HACSB has received approval under HUD's Rental Assistance Demonstration (RAD) program to convert our entire Public Housing portfolio. As of FY 2020, all units have been or will be converted to Project Based Vouchers, commonly referred to as "Section 8" units.

AMP NAME AND NUMBER	NUMBER OF UNITS TO BE REMOVED	EXPLANATION FOR REMOVAL
Los Olivos	98	Streamlined Voluntary Conversion (SVC) is expected to take place April 30, 2020.
	98	TOTAL PUBLIC HOUSING UNITS TO BE REMOVED IN THE PLAN YEAR

### *iii. Planned New Project-Based Vouchers*

In FY 2020, HACSB does not anticipate awarding new project-based vouchers.

PROPERTY NAME	NUMBER OF VOUCHERS TO BE PROJECT-BASED	RAD?	DESCRIPTION OF PROJECT
N/A	0	N/A	N/A
	0	PLANNED TOTAL VOUCHERS TO BE NEWLY PROJECT-BASED	

#### iv. Planned Existing Project-Based Vouchers

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR	RAD?	DESCRIPTION OF PROJECT
Redlands – Lugonia (Phase II)	104	Committed	No	Family Community, New Development
Waterman Gardens	116	Committed	Yes	Family Community, Existing Development
Waterman Phase 1 - (Val9)	75	Leased/Issued	Yes	Family Community, New Development
Waterman Gardens – Olive Meadow	61	Leased/Issued	Yes	Family Community, New Development
Scattered Sites (AMP 2)	97	Committed	Yes	RAD Conversion, Existing Public Housing Community
Maplewood Homes	296	Committed	Yes	RAD Conversion, Existing Public Housing Community
Scattered Sites (AMP 3)	34	Committed	Yes	RAD Conversion, Existing Public Housing Community
Redlands/Highland (AMP 5)	87	Committed	Yes	RAD Conversion, Existing Public Housing Community
Colton/Chino (AMP 6)	174	Committed	Yes	RAD Conversion, Existing Public Housing Community
Barstow (AMP 7)	217	Committed	Yes	RAD Conversion, Existing Public Housing Community
Los Olivos, Upland	98	Committed	Yes	RAD Conversion, Existing Public Housing Community
Yucaipa Terrace	51	Leased/Issued	No	Senior Community, Existing Development
Arrowhead Woods	51	Leased/Issued	No	Senior Community, Existing Development
Robert O Townsend	48	Leased/Issued	No	Senior Community, Existing Development
Grandview Towers	40	Leased/Issued	No	Senior Community, Existing Development
Desert Village	46	Leased/Issued	No	Senior Community, Existing Development
Redwood Terrace	68	Leased/Issued	No	Senior Community, Existing Development
Yucaipa Crest	45	Leased/Issued	No	Senior Community, Existing Development

PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR	RAD?	DESCRIPTION OF PROJECT
Sunrise Vista	108	Leased/Issued	No	Family Community, Existing Development
Sunset Pointe	117	Leased/Issued	No	Family Community, Existing Development
Mentone Clusters	34	Leased/Issued	No	Family Community, Existing Development
Andalusia	17	Leased/Issued	No	Family Community, Existing Development
Valencia Grove, Redlands (Phase I)	85	Leased/Issued	No	Family Community, New Development
Arrowhead Commons	42	Leased/Issued	No	Family Community, Existing Development
NCLU- Scattered Sites	26	Leased/Issued	No	Project-Based Voucher Program
Vista del Sol	53	Leased/Issued	No	Senior Community, Existing Development
Scattered Site Units	229	Leased/Issued	No	Family Community, Existing Development (HPI)
Scattered Site Units	79	Leased/Issued	No	Family Community, Existing Development (HPI)
Meadowbrook	47	Leased/Issued	No	Senior Community, Existing Development
NCLU- Scattered Sites	10	Leased/Issued	No	Project-Based Voucher Program
NCLU- Scattered Sites	4	Leased/Issued	No	Project-Based Voucher Program
Horizons at Yucaipa	50	Leased/Issued	No	Senior Community, New Development
Ivy at College Park, Chino	8	Leased/Issued	No	Family Community, New Development
Bloomington (Related Phase I)	11	Leased/Issued	No	Family & Senior Community, New Development
Bloomington (Related Phase II)	20	Leased/Issued	No	Family Community, New Development
Rosina Fountains (AKA Fontana Family Development Project), Fontana	8	Leased/Issued	No	Family Community, New Development



PROPERTY NAME	NUMBER OF PROJECT-BASED VOUCHERS	PLANNED STATUS AT END OF PLAN YEAR	RAD?	DESCRIPTION OF PROJECT
Veterans Housing, Loma Linda	37	Leased/Issued	No	Veterans' Housing, New Development
Golden Apartments, Victorville	38	Leased/Issued	No	Permanent Supportive Housing for Chronically Homeless
Desert Haven (Queens Motel), San Bernardino	31	Leased/Issued	No	Permanent Supportive Housing for Chronically Homeless
Veterans' Housing, Various Sites	12	Leased/Issued	No	Veterans' Housing, Scattered Sites
<b>2,774</b>		<b>PLANNED TOTAL EXISTING PROJECT-BASED VOUCHERS</b>		

*v. Planned Other Changes to MTW Housing Stock Anticipated During the Plan Year*

PLANNED OTHER CHANGES TO MTW HOUSING STOCK ANTICIPATED DURING THE PLAN YEAR
HACSB does not anticipate any other changes to the Housing Stock during the Fiscal Year.

*vi. General Description of All Planned Capital Fund Expenditures during the Plan Year*

GENERAL DESCRIPTION OF ALL PLANNED CAPITAL FUND EXPENDITURES DURING THE PLAN YEAR
<p>We are nearing the conclusion of our portfolio RAD conversion strategy (and subsequent physical rehabilitation) for the entirety of our Affordable (public) Housing portfolio. We received approval from HUD in December 2014 to convert our entire Public Housing portfolio under the RAD program, wherein existing Public Housing subsidies are converted to rental assistance (vouchers). The initial phase of the RAD portfolio conversion included rehabilitation work at the following sites:</p> <ul style="list-style-type: none"> <li>• 97 scattered site units in AMP 120</li> <li>• 330 units in AMP 130 (Maplewood Homes)</li> <li>• 75 units in AMP 150 (Brockton site 19-05)</li> <li>• 50 units in AMP 160 (Monte Vista site 19-06)</li> </ul>

## GENERAL DESCRIPTION OF ALL PLANNED CAPITAL FUND EXPENDITURES DURING THE PLAN YEAR

Capital fund was utilized to complete work identified under the RAD Physical Needs Assessments, and was 100% complete as of early 2018.

The second phase of the RAD portfolio transaction included conversion of the following sites:

- 12 scattered site units in AMP 150 (E. 9th Street)
- 125 units in AMP 160 (Colton sites 19-04 & 19-10)
- 217 units in AMP 170 (Barstow sites 19-07, 19-12, 19-13 and Deseret)

The RAD Conversion transaction for the second phase of public housing units closed in September, 2018, whereupon rehab work identified under the RAD Physical Needs Assessments commenced with a targeted completion by the end of 2019. Additionally, staff has re-analyzed the physical renovations planned for Barstow public housing and is discussing changes to the project with the HUD RAD team to achieve a higher level of physical rehabilitation to ensure long-term viability of the site(s). We expect to have that revised development/financing plan in place before the end of 2019.

Construction of the initial on-site phase (62 units) of the Waterman Gardens revitalization project (the second RAD conversion project) broke ground in May, 2016 and was completed and occupied as of September, 2017. The new community, now called Arrowhead Grove, will eventually include over 400 mixed-income housing units as well as commercial/community facilities intended to provide employment and training opportunities supporting HACSB's MTW initiatives. Housing affordability remains the primary focus for the development as well as revitalization of the broader neighborhood, as evidenced by the initial RAD application which supported the development of the 75-unit Valencia Vista (aka Val9) Apartments on an adjacent site (completed and occupied in 2016). HACSB and its developer partner have planned a mix of RAD and project-based voucher units with substantial funding secured through Low Income Housing Tax Credits. The existing 252 ACC units are being replaced on a one-for-one basis (transitioned to RAD project-based vouchers) over the course of the multiple-phase redevelopment. The second on-site phase (184 units) received allocations of low income housing tax credits and tax exempt bonds along with a \$20 million dollar infusion of state of California Affordable Housing and Sustainable Communities (AHSC) program funds by the end of 2018. This funding enables construction to start by mid-2019 on the final phase of the RAD conversion project at Waterman Gardens.

In early 2019 we also continued pre-development work (commenced preparation of construction documents), for the second phase of construction at the Redlands-Lugonia site (AMP 150, sites 01, 8, & 9).

## GENERAL DESCRIPTION OF ALL PLANNED CAPITAL FUND EXPENDITURES DURING THE PLAN YEAR

### ***FY 2020:***

The Capital Fund Program 5-Year Plan and Budget is included as part of Appendix C. Capital Fund available for physical improvements at Public Housing sites has been substantially reduced due to the conversion of subsidy for the entirety of HACSB's original public housing portfolio to vouchers under the RAD program. The majority of HACSB's original Public Housing units converted under RAD at the end of September, 2018. The last site remaining for conversion after that was the Los Olivos site which was acquired by HACSB through the transfer of the Upland Housing Authority's public housing and voucher programs. This site is anticipated to close under RAD in August, 2019. Utilizing Capital Fund, in 2020 HACSB will complete capital improvements identified under the RAD physical needs assessments to ensure that the RAD converted units will continue to meet the needs of residents of Upland over the long term. Such work will include interior kitchen and bathroom renovations, Section 504 unit accessibility, exterior xeriscaping, and miscellaneous dwelling interior and exterior improvements. HACSB will also continue to implement additional energy improvements agency-wide to augment work completed previously under an Energy Performance contract.

HACSB's major Public Housing redevelopment efforts will continue in Redlands (AMP 150, sites 19-01, 8 & 9) where the second phase of new construction will commence to add 104 units of affordable family rental housing to the site to compliment the 85 units completed in 2016. We are utilizing accumulated (first 5-year increment) Replacement Housing Factor (RHF) funds in excess of \$3 million to begin construction. Likewise, the third and final RAD conversion phase at the Waterman Gardens site in San Bernardino (AMP 120, site 19-02) commenced construction in the summer of 2019, adding approximately 182 affordable family rental units plus 2 manager's units to complete the one-for-one replacement of Public Housing units formerly located there while also adding market rate units to create a mixed-income community. We are utilizing Demolition/Disposition Transition Fund (DDTF) leveraged with state and local funding and Low Income Housing Tax Credits (LIHTC) to support this effort, which is expected to be completed by mid-2021.

HACSB will strive to implement new resident employment programs under Section 3 to support the variety of Moving-To-Work initiatives described in this plan. Where possible, Capital Funds will be utilized (and leveraged with outside funding) for employment training anchored within the large Public Housing revitalization projects already underway (Redlands-Lugonia and Waterman Gardens). These programs will prioritize training centered around sustainable development and green building practices, property management and maintenance of the newly constructed rental housing, as well as pre-apprenticeship construction training. These efforts are intended to also extend into the neighborhoods surrounding the existing site to promote community-wide revitalization.

## B. Leasing Information

### *i. Planned Number of Households Served*

In FY 2019, HACSB anticipates continued strong rates of leasing for both Public Housing and vouchers. The remaining Public Housing units will be converted to project-based voucher units through HACSB's RAD conversion process, and this change is reflected in the number of Public Housing units anticipated to be leased during the fiscal year.

The following table presents projected voucher utilization and Public Housing occupancy for FY 2020.

The MTW Public Housing units anticipated to be leased include 98 units at the Los Olivos development which are expected to be converted out of Public Housing through Streamlined Voluntary Conversion (SVC) at the end of April 2020 and comprise 686 unit months, as well as one single-family home in AMP 180 which comprises 12 unit months. A total of 99 families are expected to be served through Public Housing during FY 2020; however, in accordance with instructions for HUD Form 50900, the number of families anticipated to be served reported in this Plan is calculated as the total unit months for the year (698) divided by twelve months. This Plan indicates that 58 families are anticipated to be served through Public Housing during the year.

HACSB does not have any local non-traditional MTW funded programs.

PLANNED NUMBER OF HOUSEHOLDS SERVED THROUGH:	PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED	PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED
MTW Public Housing Units Leased	693	99
MTW Housing Choice Vouchers (HCV) Leased	113,840	9,487
Local, Non-Traditional: Tenant-Based	0	0
Local, Non-Traditional: Property-Based	0	0
Local, Non-Traditional: Homeownership	0	0
<b>Planned Total Households Served</b>	<b>113,840</b>	<b>9,487</b>

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	PLANNED NUMBER OF UNIT MONTHS OCCUPIED/LEASED	PLANNED NUMBER OF HOUSEHOLDS TO BE SERVED
Tenant-Based	N/A	N/A	N/A
Property-Based	N/A	N/A	N/A
Homeownership	N/A	N/A	N/A

## ii. Description of any Anticipated Issues/Possible Solutions Related to Leasing

HOUSING PROGRAM	DESCRIPTION OF ANTICIPATED LEASING ISSUES AND POSSIBLE SOLUTIONS
MTW Public Housing	None.
MTW Housing Choice Voucher	Voucher holders are experiencing difficulty locating units due to current rental market conditions. Search times of 120 days are not uncommon. HACSB is providing families with the maximum possible search times and beginning the wait list selection process earlier than is typical in anticipation of the longer search times.
Local, Non-Traditional	None.

## C. Waiting List Information

### i. Waiting List Information Anticipated

HACSB's wait list strategies vary to match the needs of different communities and housing programs. Applicants may be, and often are, on multiple wait lists at the same time. This duplication is described in the following tables.

HACSB anticipates that community need for affordable housing will remain high in FY 2020. The following table shows the projected number of households on wait lists for Public Housing units and vouchers as of the beginning of FY 2020. HACSB does not currently envision organizational or policy changes to wait lists.

As part of the voluntary transfer of the Public Housing and Housing Choice Voucher programs from the Upland Housing Authority (UHA) to HACSB effective July 1, 2017, the applicants that were on the UHA wait lists have been transferred to HACSB's wait lists. The wait list totals shown in the following tables include these applicants.

## Housing Choice Vouchers

HACSB maintains a single tenant-based voucher wait list. The list was most recently opened for 19 days in February 2019; 21,862 applications were received. The opening was conducted through our online wait list portal, and a call center was available to assist customers with their questions and to respond to requests for reasonable accommodations. We do not anticipate re-opening the tenant-based voucher wait list in FY 2020.

Separate site-specific wait lists are maintained for each project-based voucher property.

## Public Housing and Rental Assistance Demonstration Units

Site-specific waiting lists are offered by bedroom size for all of HACSB's Public Housing/RAD communities. All wait lists under this program are maintained centrally to maximize efficiencies and housing choice.

HACSB's application for conversion of its entire Public Housing portfolio under the Rental Assistance Demonstration (RAD) program was approved in December 2014, and the process of converting all sites is ongoing. As a result, HACSB has moved all applications currently on the wait lists for the converted Public Housing sites to new site-based RAD PBV wait lists. The remaining applications will be moved to similar lists upon conversion of the remaining sites. The applications will retain their original date and time of application and will be subject to the preferences that apply to the PBV wait list. Applicants will be notified of the change and will be offered the opportunity to opt out of placement on the HACSB PBV wait lists.

WAITING LIST NAME	DESCRIPTION	NUMBER OF HOUSEHOLDS ON WAITING LIST	WAITING LIST OPEN, PARTIALLY OPEN, OR CLOSED	PLANS TO OPEN THE WAITING LIST DURING THE PLAN YEAR?
Public Housing	Centrally managed, site-specific, by bedroom size	1,829	Partially open	Yes, by bedroom size as needed
Rental Assistance Demonstration Sites - PBV	Centrally managed, site-specific, by bedroom size	19,593	Partially open	Yes, by bedroom size as needed
Housing Choice Voucher – Project-Based	Centrally managed, site/region-specific, by bedroom size	31,783	Partially open	Yes, by bedroom size as needed
Housing Choice Voucher – Tenant-Based	Community-wide	23,023	Closed	No

#### DESCRIPTION OF DUPLICATION OF APPLICANTS ACROSS WAITING LISTS

26.4% of applications are duplicates, representing families who have applied to two or more waiting lists. There are 36,780 unduplicated families on HACSB's waiting lists.

#### *ii. Planned Changes to Waiting Lists in the Plan Year*

WAITING LIST NAME	DESCRIPTION OF PLANNED CHANGES TO WAITING LIST
Rental Assistance Demonstration Sites – PBV	Will be reviewed and purged in FY 2020
Housing Choice Voucher – Project-Based	Will be reviewed and purged in FY 2020

## Section III: Proposed MTW Activities

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This section provides information about proposed new uses of MTW authority, including newly proposed activities and previously approved activities for which HACSB is proposing significant changes. HUD approval is requested for the activities in this section.

HACSB is proposing a revision to previously approved Activity 27, formerly titled Local Project-Based Voucher Subsidy for Tax Credit Developments, through this Plan in this section.



## Activity 27: Local Project-Based Voucher Subsidy for Developments Using Tax Credit Rents

### i. Plan Year Approved, Implemented, Amended

- FY 2019: Initial approval through FY 2019 Annual MTW Plan, Amendment 2. Partially implemented.

### ii. Description/Update

This activity addresses the MTW statutory objective to increase housing choices for low-income families.

Through this activity, HACSB is authorized to change the TTP calculation to create one that is based upon income bands, applying a flat TTP within each income band instead of basing the calculation of TTP on gross or adjusted income. Additionally, HACSB will modify the housing authority subsidy calculation to provide a fixed flat subsidy. The activity currently applies to 116 RAD-PBV units at the Waterman Gardens Phase III development, Crestview Terrace, excluding any RAD household exercising right of first return to those units. Through this amendment, HACSB proposes to expand this activity to include eight PBV units to be located at the Daycreek Villas community in Rancho Cucamonga, California, as well as future PBV units on a case-by-case basis. More information about how this activity will apply to the Daycreek Villas PBV units and future PBV units is included in the following sections.

#### **Implementation Update – Crestview Terrace**

Most aspects of this activity will be implemented upon completion of construction when families begin leasing the newly developed units (anticipated in CY 2020). However, other aspects of the activity are implemented, such as establishing the Tenant Rent Burden Protection Fund for approved hardship exemptions.

#### **Current Development Status – Crestview Terrace**

This third and final RAD conversion phase at the Waterman Gardens site in San Bernardino (AMP 120, site 19-02) is expected to be under construction in CY 2019 and 2020, adding approximately 182 family rental units to complete the one-for-one replacement of Public Housing units formerly located there while also adding market rate units to create a mixed-income community. The development utilizes Demolition/Disposition Transition Fund (DDTF) leveraged with City and County of San Bernardino HOME funds, state of California Affordable Housing and Sustainable Communities funds, private healthcare organization (Dignity Health) funds, and 4% Low Income Housing Tax Credits (LIHTC) coupled with tax-exempt private activity bonds. The current unit breakdown is:

- 116 RAD project-based voucher (PBV) units with tax credits.
- 31 tax credit affordable units.
- 35 market rate units with no RAD, PBV, or tax credits.

The following table contains the breakdown of the 147 affordable units by size and tax-credit income bracket:

30% AMI Target		50% AMI Target		60% AMI Target		Total
Unit Size	Number of Units	Unit Size	Number of Units	Unit Size	Number of Units	
1 Bedroom	6	1 Bedroom	6	1 Bedroom	10	22
2 Bedroom	21	2 Bedroom	21	2 Bedroom	39	81
3 Bedroom	9	3 Bedroom	9	3 Bedroom	14	32
4 Bedroom	1	4 Bedroom	2	4 Bedroom	7	10
5 Bedroom	2	5 Bedroom	0	5 Bedroom	0	2
<b>Total</b>	<b>39</b>	<b>Total</b>	<b>38</b>	<b>Total</b>	<b>70</b>	<b>147</b>

#### **Flat Subsidy and Income Band TTP Calculation – Type One**

Through this activity, the total tenant portion (TTP) and contract rents for the Crestview Terrace 116 RAD-PBV tax credit units are set as follows:

- TTP (tenant rent) will be set at the applicable tax credit rent based on the unit size and target AMI for the unit.
- Contract rents will be set below 110% of the HUD-published Fair Market Rent (FMR) based on bedroom size. At this time, the contract rents are anticipated to be set at 91.247% of 110% of the FMR.
- The Housing Assistance Payment (HAP) subsidy will be the difference between the contract rent and the TTP. Payment of the HAP subsidy shall be subject to the availability of federal funding. The HAP contract will otherwise be the same as a standard RAD-PBV HAP contract.
- Contract rents may be increased through:
  - An increase to the TCAC-published Tax Credit rents; and/or
  - An increase to the HAP subsidy

Any proposed rent increase will be subject to determination of rent reasonableness by HACSB and availability of funding. The contract rent will not be permitted to exceed 110% of the FMR.

Through these modifications, HACSB is able to apply a simplified rent and subsidy structure without changing the total amount of subsidy provided to support the development.

#### **Hardship Case Criteria**

HACSB recognizes that under some circumstances, households may experience a hardship that makes it challenging to pay the applicable rent under this activity. Hardship exemption criteria have been developed for households whose rent burden exceeds 40% while participating in this program.

To be eligible for a hardship exemption, the household must:

1. Have a rent burden greater than 40%. Rent burden is calculated as the household's monthly rent portion (the applicable tax credit rent) divided by the household's gross monthly income; and
2. Request a hardship exemption in writing in accordance with HACSB's policies; and
3. Be in compliance with HACSB's policies, program rules, and regulations.

A hardship exemption may be approved for the following reasons:

1. The family experiences a death of a household member with income;
2. Any income-earning member of the assisted family no longer remains in the unit;
3. An elderly or disabled household experiences a permanent loss of income;
4. Unforeseen and involuntary permanent loss of income for a family member under the age of 18.
5. Unforeseen involuntary loss of employment or unforeseen loss of income due to major illness as determined by a medical professional.
6. Unforeseen involuntary permanent loss of income for an adult family member who is attending high school.

If a hardship exemption has been approved, HACSB will reduce the household's TTP to 40% of gross income for a period of six months. During the hardship exemption period, HACSB will continue to pay the flat subsidy plus the difference between the household's reduced TTP and the tax credit rent ("Hardship HAP" – the difference between 40% of the household's gross income and the applicable tax credit rent). At the end of the hardship exemption period, the household's TTP will return to the tax credit rent and the HACSB subsidy will return to the flat subsidy. For example:

A 3-person household is residing in a 2-bedroom 50% tax credit unit. They pay the tax credit rent of \$758 per month. Their income is \$27,315 per year and their rent burden is 33.3%.

A 17 year-old member of the household experiences an unforeseen and involuntary permanent loss of income. The household's new income is \$21,000 per year. Their rent burden is now 43.3%.

HACSB approves a hardship exemption for the household based upon the unforeseen and involuntary permanent loss of income for a family member under the age of 18. For six months, the household's TTP will be set at 40% of their gross income,

or \$700. During this hardship exemption period, HACSB will continue to pay to the owner the flat subsidy, plus the \$58 difference between the TTP and the tax credit rent

At the end of the hardship exemption period, the household's TTP will return to the tax credit rent. The HACSB subsidy will return to the flat subsidy.

No more than one hardship exemption per household may be approved within a 12-month period. Approval will be subject to the availability of funds.

HACSB will apply MTW funding flexibility to create a "Tenant Rent Burden Protection Fund" from which the Hardship HAP will be paid. HACSB and its developer partner will both contribute to this fund to ensure the availability of hardship exemptions for rent-burdened households.

### **iii. Planned Non-Significant Changes**

None.

### **iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- HC #1: Additional Units of Housing Made Available

### **v. Planned Significant Changes**

Through this amendment, HACSB proposes to add a second type of flat subsidy and income band TTP calculation to this activity. The subsidy and TTP calculations will be referred to as Type One (previously approved) and Type Two (newly proposed). The eight PBV units to be located at the Daycreek Villas community in Rancho Cucamonga, which is expected to begin occupancy in the fall of 2020, will utilize the newly proposed Type Two calculation. Future PBV units under this activity will utilize either the previously approved Type One calculation or the newly proposed Type Two calculation.

#### **Flat Subsidy and Income Band TTP Calculation – Type Two**

The total tenant portion (TTP) and HAP subsidy are set as follows:

- TTP (tenant rent) will be set at the applicable tax credit rent based on the unit size and target AMI for the unit.
- The Housing Assistance Payment (HAP) subsidy will be fixed at \$700.

- The fixed HAP subsidy may be increased through an escalation factor established by HACSB which shall not exceed the lower of an amount verified through rent reasonableness or the HUD-published Operating Cost Adjustment Factor (OCAF).
- Payment of the HAP subsidy shall be subject to the availability of federal funding.
- The HAP contract will otherwise be the same as a standard PBV HAP contract.
- Contract rents will equal the TTP plus the fixed HAP subsidy, and shall not exceed 110% of the HUD-published Fair Market Rent (FMR) based on bedroom size. Contract rents may be increased through:
  - An increase to the TCAC-published Tax Credit rents; and/or
  - An increase to the HAP subsidy.

Any proposed rent increase will be subject to determination of rent reasonableness by HACSB and capped at the most recently published OCAF, and, in the case of an increase to the HAP subsidy portion of the contract rent, the availability of funding.

#### **Hardship Case Criteria – Type Two**

The hardship case criteria for the Type Two subsidy and TTP calculation shall be the same as the previously approved hardship case criteria, except that HACSB will not establish a separate fund from which to pay the Hardship HAP. Instead, Hardship HAP shall be paid using MTW Block Grant funds in the same manner as HAP.

## IV: Approved MTW Activities

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This section provides HUD-required information detailing previously approved uses of MTW authority for implemented (active), not yet implemented, on-hold, and closed-out activities. An overview of each active MTW activity is included with an update on any changes anticipated for FY 2020.

### A. Implemented Activities

#### Activity 1: Single Fund Budget

The flexibility granted under this activity is included in the statutory authorizations granted to MTW agencies. In accordance with HUD guidance, information related to this activity is included in Section V: Administrative.

## Activity 4: Biennial and Triennial Recertifications

### i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial Approval as a pilot program for elderly and disabled households in the Public Housing and Housing Choice Voucher programs with no other adult members and no earned income.
- FY 2012: Amended to expand the scope of the activity to apply to all families in both programs was approved. The expanded initiative was implemented in 2012 with approximately half the households assigned to a biennial schedule. The remaining households were assigned to the biennial schedule in 2013.
- FY 2014: The first complete cycle of biennial certifications was completed in 2014.
- FY 2019: Amended to add triennial recertifications for elderly-only fixed-income families. Authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program was received from HUD in September 2019. That approval, though not granted through the HUD MTW Office, was included in our FY 2019 Annual MTW Plan for informational purposes.

### ii. Description/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

Current regulations require annual income recertifications for most participants of the Public Housing and Housing Choice Voucher programs. This MTW activity allows HACSB to conduct recertifications of MTW and VASH households biennially or triennially. Elderly-only fixed-income families are recertified triennially; all other families are recertified biennially.

HACSB continues to perform income recertifications for all MTW households biennially. Triennial recertifications for elderly-only fixed-income families will begin in late FY 2019, with triennial recertifications for VASH families beginning in FY 2020.

#### Triennial Recertification Process

- HACSB will perform a full recertification to examine family income and composition of elderly-only fixed-income families once every three years. No PHA-initiated updates will take place during the years between full recertifications.
  - An elderly-only fixed-income family is defined as having no members under the age of 57 AND having at least 90 percent of its income from fixed sources.
- This activity modifies the recertification schedule only. Elderly-only fixed-income families will continue to be subject to the interim reporting requirements, calculation of income and rent, and other components of their assigned program type (Term-Limited Lease Assistance, Streamlined Lease Assistance, etc.)

### **iii. Planned Non-Significant Changes**

None.

### **iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- CE #5: Increase in Tenant Rent Share
- SS #1: Increase in Household Income
- SS #3: Increase in Positive Outcomes in Employment Status
- SS# 4: Households Removed from Temporary Assistance for Needy Families (TANF)
- SS #8: Households Transitioned to Self-Sufficiency

Standard metrics CE #5, SS #1, SS #3, SS #4, and SS #8 were added in HACSB's 2015 Annual Plan per HUD's request. The objective of the activity is to achieve agency cost and staff time savings. As a result, HACSB does not anticipate that these metrics will reflect an increase in tenant rent share, household income, positive outcomes in employment status, households removed from TANF, or households transitioned to self-sufficiency as a direct result of this activity.

### **v. Planned Significant Changes**

None.



## Activity 5: Simplified Income Determination

### i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial approval as “Local Verification Policies”. Implemented on October 1, 2009.
- FY 2019: Amended to retitle this activity and merge the functions of the following activities:
  - Activity 5 – Local Verification Policies (this activity)
  - Activity 6 – Elimination of Assets (originally approved in our FY 2009 Annual MTW Plan and implemented on October 1, 2009). This component was closed out as a separate activity in FY 2019.
  - Activity 9 – Elimination of Earned Income Disallowance (originally approved in our FY 2009 Initial Annual MTW Plan and effective on October 1, 2009, for participants in the Housing Choice Voucher and Public Housing programs). This component was closed out as a separate activity in FY 2019.
  - Activity 17 – Local Income Inclusions (originally approved in our FY 2011 Annual MTW Plan and implemented on May 1, 2011. The activity was modified through HACSB’s FY 2015 Annual MTW Plan). This component was closed out as a separate activity in FY 2019.
- Authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program was received from HUD in September 2019. That approval, though not granted through the HUD MTW Office, was included in our FY 2019 Annual MTW Plan for informational purposes. All aspects of this activity except the elimination of the Earned Income Disallowance apply to VASH households.

### ii. Description/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

This activity includes four components: local verification policies, elimination of assets, elimination of the Earned Income Disallowance, and local policies for income inclusions and exclusions. The activity applies to MTW and VASH households; however, the elimination of the Earned Income Disallowance does not apply to VASH households.

#### Verification Policies

The verification standard used by HACSB was modified in FY 2011 to establish the following local verification hierarchy:

1. Upfront Income Verification (UIV) using HUD’s Enterprise Income Verification (EIV) is the highest standard of verification.
2. Documents provided by the household and observed to be satisfactory to verify income are the second tier of verification.
3. Third-party written verification is requested as the third tier of verification if additional verification is necessary.
4. Third-party oral verification is permitted as the lowest ranking type of income verification.

Applicant verifications may not be more than 120 days old (from the date received) at the time of orientation. For participants, verifications remain valid for six months (180 days) from the date received.

#### Elimination of Assets

Assets are fully excluded from the calculation of annual income for the purpose of determining the tenant rent portion. Asset information is verified at initial eligibility for the purpose of determining income eligibility for assistance. Thereafter, information related to assets is not collected and income from assets is not considered as part of the income/rent calculation formula.

#### Elimination of Earned Income Disallowance

HACSB has eliminated the HUD Mandatory Earned Income Disallowance (EID) from the calculation of total tenant payment. This component does not apply to VASH program participants.

#### Local Income Inclusions and Exclusions

HACSB has established local policies to include or exclude certain income sources that are currently excluded or included under regulation. The modifications to the rent calculation are:

- Foster care income is fully included;
- Sanctioned Temporary Assistance to Needy Families (TANF) income, whether due to non-compliance with self-sufficiency requirements, fraud or any other sanction reasons authorized by CALWORKS, except term limits, is fully included;
- Adoption assistance payment income is fully included (effective at each family's first biennial recertification effective on or after October 1, 2015);
- The earned income of full-time students other than the Head of Household, spouse, and co-head of household is fully excluded (effective at each family's first biennial recertification effective on or after October 1, 2015).

This activity has simplified the process for our families and the housing staff, reducing staff time spent on verifications, calculation of assets, processing the Earned Income Disallowance, and related agency costs.

### **iii. Planned Non-Significant Changes**

None.

### **iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings

- CE #3: Decrease in Error Rate of Task Execution
- CE #5: Increase in Tenant Rent Share

**v. Planned Significant Changes**

None.

## Activity 8: Local Policies for Portability

### i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial Approval. The initial implementation of this activity began on October 1, 2009
- FY 2010: Amended to add a work requirement for portability. The work requirement was implemented on August 1, 2010.

### ii. Description/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater cost effectiveness in federal expenditures.

Through this activity, HACSB applies the requirements of its ongoing MTW activities to inbound portability participants.

This activity has resulted in significant staff time savings. In FY 2015, staff hours spent on inbound portability participants were reduced by 68% from the baseline year. All benchmarks for this activity have been fully or partially met since FY 2010.

### iii. Planned Non-Significant Changes

None.

### iv. Planned Changes to Metrics/Data Collection

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings

### v. Planned Significant Changes

None.

## Activity 10: Minimum Rent

### i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial Approval. The activity was implemented on October 1, 2009, for recertifications and on January 1, 2010, for all new families.
- FY 2019: Authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program was received from HUD in September 2019. That approval, though not granted through the HUD MTW Office, was included in our FY 2019 Annual MTW Plan for informational purposes.

### ii. Description/Update

This activity addresses the MTW statutory objectives to reduce costs and achieve greater effectiveness in federal expenditures and to assist families to become self-sufficient.

This activity allowed HACSB to increase the minimum rent to \$125 from the current regulatory maximum of \$50 per month for all households in both the Public Housing and Housing Choice Voucher Programs. The activity applies to MTW and VASH households.

This activity has resulted in positive outcomes for households paying the minimum rent of \$125. In FY 2016 HACSB analyzed the current income and tenant rent values for families that were paying the minimum rent at the time of HACSB's FY 2014 Annual MTW Report. Of the 1,205 families paying the minimum rent in FY 2014, 1,077 were still actively participating in HACSB MTW programs subject to the minimum rent. 42% of those families increased their income and were no longer paying the minimum rent. This analysis will be updated with HACSB's FY 2018 Annual MTW Report.

Non-elderly and non-disabled families paying the minimum rent will be required to participate in services offered through HACSB's Career Development Initiatives (CDI) team. The Head of Household will be required to sign an individual training and services plan (ITSP) with the primary objective of increasing the family's earned income. This component was approved in HACSB's FY 2019 Annual MTW Plan, and we are working to make the necessary policy and procedure changes. We anticipate that this component will be implemented in mid-FY 2019.

There have been no requests for hardship exemption from the minimum rent.

### iii. Planned Non-Significant Changes

None.

#### **iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #5: Increase in Tenant Rent Share
- SS #1: Increase in Household Income
- SS #3: Increase in Positive Outcomes in Employment Status
- SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)
- SS #8: Households Transitioned to Self-Sufficiency

Standard metrics SS #3, SS #4, and SS #8 were added in HACSB's 2015 Annual Plan per HUD's request. The objective of the activity is to achieve agency cost and staff time savings. HACSB does not anticipate that these metrics will reflect an increase in positive outcomes in employment status, households removed from TANF, or households transitioned to self-sufficiency as a direct result of this activity.

#### **v. Planned Significant Changes**

None.

## Activity 11: Local Project-Based Voucher Program

### i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial Approval.
- FY 2010: Clarified components of the activity through FY 2010 Annual MTW Plan, Amendment 3. Implemented September 2010.
- FY 2015: Modification proposed through our FY 2015 Plan, Amendment 1B, but not approved by HUD. Per HUD's request, the proposed modification was re-proposed and approved through HACSB's FY 2017 MTW Plan.
- FY 2018: Modification to expand unit types eligible for project-based vouchers and add a work and/or supportive services requirement.
- FY 2019: Authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program was received from HUD in September 2019. That approval, though not granted through the HUD MTW Office, was included in our FY 2019 Annual MTW Plan for informational purposes. A modification to allow HACSB to apply alternative occupancy standards in special circumstances was included in our FY 2019 Annual MTW Plan, Amendment 1.

### ii. Description/Update

This activity addresses the MTW statutory objective to increase housing choices for low-income families.

HACSB has implemented a local Project-Based Voucher (PBV) program to increase the availability of quality housing units. The expansion of our housing authority and/or our affiliate nonprofit owned housing stock will allow us to continue to reinvest net income into the acquisition of additional affordable housing units. The flexibilities included under this activity are:

- Up to 100% percent of units in any development may be project-based;
- Up to 30% of HACSB's MTW baseline number of units may be allocated for PBV (including RAD-PBV units);
- PBV will be allocated to all of the Public Housing units approved for disposition other than 27 Shelter Plus Care units to be rehabilitated in conjunction with the County Department of Behavioral Health (308 PBV units);
- Households residing in PBV units will not have automatic priority to receive tenant-based vouchers after one year, but instead will have such a priority after two years (this component does not apply to RAD PBV households);
- A local PBV HAP contract which modifies the terms and conditions of the HAP contract, including the ability to execute PBV HAP contracts for groupings of non-contiguous scattered-site properties and to contract for a total number of units by bedroom size within a development rather than for specific units;

- An over-housed household residing in a Public Housing unit that is disposed of and converted to a Project-Based Voucher may remain in its unit and HACSB will subsidize the household based on the size of the unit, not the qualifying voucher size;
- HACSB may require an under-housed household residing in a Public Housing unit that is disposed of and converted to a Project-Based Voucher to move with a voucher for the number of bedrooms for which the household qualifies;
- For a unit other than former Public Housing units, HACSB may designate the unit as a PBV unit and allow an in-place household for which the unit is wrong-sized to remain in occupancy for up to one year, if the owner agrees to accept a PBV contract rent that does not exceed the HACSB subsidy standard for the household for the initial term of the lease.
- Initial contract rent for units owned by HACSB as defined in the PBV regulations may be determined using an HACSB market study that will consider local rental submarkets, in lieu of the requirement to use an independent entity with rents based on an appraisal by a state-certified appraiser. This flexibility is applied to the first two phases of the Waterman Gardens public housing revitalization project, where single-fund flexibility is utilized to increase RAD contract rents to match local market rent levels, thereby allowing us to generate more private debt and equity necessary for new construction. This component does not apply to the third and final phase of the Waterman Gardens RAD conversion and redevelopment (please see Activity 27: Local Project-Based Voucher Subsidy for Tax Credit Developments for more information about the rent and subsidy calculations applicable to phase three.)
- The rents for Rental Assistance Demonstration (RAD) units will equal the maximum specified under the RAD Notice. This component does not apply to the third and final phase of the Waterman Gardens RAD conversion and redevelopment (please see Activity 27: Local Project-Based Voucher Subsidy for Tax Credit Developments for more information about the rent and subsidy calculations applicable to phase three.)
- HACSB may project-base vouchers for unit types which are not allowable under traditional regulatory PBV. The types of housing which may be assisted through PBV include the following:
  - Shared housing (up to one person per bedroom);
  - Units on the grounds of a penal, reformatory, medical, mental health, or similar public or private institution;
  - Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care;
  - Manufactured homes;
  - Transitional housing;
  - Single-room occupancy;
  - Congregate housing;
  - Other housing types as needed.
- Where appropriate, HACSB will partner with universities, state and local government, and other stakeholders to develop housing and service delivery programs which leverage HACSB and partner resources. Where appropriate and feasible, programs will



include both housing and related health care, education, job preparedness, and/or other necessary supportive services for individuals assisted through the programs.

- To ensure that assisted families receiving on-site supportive services through an HACSB partner continue to reside at the location where the services are provided, HACSB may not provide a tenant-based voucher upon completion of the initial two-year term of assistance. Assisted families will be notified at move-in whether or not they will be eligible to receive a tenant-based voucher.

#### Rent Reasonableness, HAP, and Vacancy Payments (Shared Housing Units)

HACSB will use its Local Payment Standard (LPS) to determine rent reasonableness and maximum HAP. If a shared housing unit is not fully occupied, HACSB will pay the full HAP for the unit for up to sixty days. After sixty days, the HAP will be prorated to reflect the percentage of occupied bedrooms

#### **Additional Requirements**

Our approved FY 2018 Annual MTW Plan included the addition of a requirement for the PBV project developer/manager to administer a work requirement and/or supportive services program for some project-based voucher (PBV) contract awards. This component has not yet been implemented.

The requirement will apply only if the number of PBV units exceeds a reasonable number or percentage of the total units in the development. The requirement will not apply to developments where conflicting regulation or law exists. HACSB intends to apply this proposed modification only to new PBV awards. A work requirement and/or supportive services requirement would not be applied to existing PBV contracts unless agreed upon by the owner.

When a PBV award includes a work requirement, the work requirement will apply only to non-elderly and non-disabled families residing in PBV units. Adult family members will be required to participate in work-related activities for a minimum of fifteen hours per week. Work-related activities shall include activities removing barriers to gainful employment, activities leading to gainful employment, and employment. HACSB will require the developer/manager to provide supportive services to these families. Supportive services may include, but are not limited to, job skills/employment coaching and job search services, life skills classes, and other services designed to help families meet the work requirement.

For some PBV awards, HACSB may include a supportive services requirement only. Supportive services may include, but are not limited to, educational and employment services, life skills classes, assistance accessing community resources, and other services.

At the commencement of this activity in FY2018, HACSB had 1,441 PBV units. HACSB has increased its total PBV units to 2,770 available units, including RAD PBV units.

### iii. Planned Non-Significant Changes

HACSB is revising its PBV cap from 25% of the funding committed to vouchers to 30% of its MTW baseline units. This modification aligns with the requirements of the Housing Opportunity Through Modernization Act of 2016 (HOTMA), which limits PBV utilization to a maximum of 30% of an agency's authorized units. Additionally, the modification aligns with the MTW statutory objective to "increase housing choices for eligible low-income families" by preserving the opportunity for housing choice offered through the tenant-based voucher program.

HACSB will utilize flexibility in applying occupancy standards for existing and/or new project-based voucher developments. The flexibility will be applied at HACSB's discretion based on a determination of need and circumstances related to a specific development, and will include the following components:

- Alternative Occupancy Standards: Project-based voucher units are subject to HACSB's traditional occupancy standards, which are currently set at a minimum of two persons per bedroom. However, in certain circumstances, HACSB will permit certain project-based units to be occupied using an alternative occupancy standard of up to two persons per bedroom. This flexibility will allow a family to be over-housed by occupying a larger unit than would normally be permitted under the occupancy standards. (Example: a two-person family may lease a two-bedroom unit.)
  - Written Agreement: Prior to exercising this flexibility, HACSB and the PBV owner/manager will enter into a written agreement which specifies the circumstances under which the alternative occupancy standards may be used, including a requirement for the owner/manager to first undertake and demonstrate a reasonable effort, as defined by HACSB, to lease the subject unit to a family using the traditional occupancy standards.
  - Alternative Subsidy Standards: in the event that the alternative occupancy standards are applied, the HAP for the subject project-based unit will be based on the actual unit size.

This modification is needed to prevent under-utilization of project-based vouchers in certain circumstances. For example, HACSB intends to apply the flexibility offered by this modification would at the Loma Linda Veterans Village apartment development to provide housing to low-income veteran families. The development is comprised of 87 units of which 18 are three-bedroom project-based voucher (PBV) units for veteran families. Under the traditional occupancy standards, the three-bedroom units may only be occupied by five- or six-person families. The development began leasing in Fall of 2018, and management has had great difficulty in identifying large veteran families to occupy the three-bedroom units under the current traditional occupancy standards. As a result, the units are being held vacant while the owner/manager attempts to recruit a five- or six-person family. The flexibility permitted through this component of this activity permits the three-bedroom units to be leased to smaller low-income veteran families who are in dire need of housing, and aligns with HACSB's strategic goal to ensure that no eligible family waits longer than ten days for assistance.

**iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- HC #4: Displacement Prevention
- Local Metric: Units of Project-Based Voucher Assistance Added to the HACSB Portfolio

**v. Planned Significant Changes**

None.

## Activity 12: Local Payment Standards and Alternative Flat Rents

### i. Plan Year Approved, Implemented, Amended

- FY 2009: Initial Approval.
- FY 2011: Implemented on July 1, 2011 for all new lease ups and recertifications
- FY 2012: Modified to use the maximum subsidy as determined through HACSB's annual market rent study as the guideline in determining the contract rent for voucher units.
- FY 2015: Modification proposed but not approved via Amendment 1B to our FY 2015 Plan. Per HUD's request, the proposed modification was re-proposed and approved through HACSB's FY 2017 Annual MTW Plan.
- FY 2017:
- FY 2019: Authorization to apply this activity to participants of the Veterans Affairs Supportive Housing (VASH) program was received from HUD in September 2019. That approval, though not granted through the HUD MTW Office, was included in our FY 2019 Annual MTW Plan for informational purposes.

### ii. Description/Update

This activity addresses the MTW statutory objective to give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.

This MTW activity allows HACSB to conduct a market assessment to identify submarket areas and develop Local Payment Standards for those submarket areas in lieu of the HUD-prescribed Fair Market Rents. The Local Payment Standards accurately reflect the diverse rental submarkets that exist across the vast San Bernardino County.

Our FY 2017 Annual MTW Plan expanded the use of Local Payment Standards to replace the HUD-published Fair Market Rents as the indicator for establishing flat rents in the HACSB public housing portfolio. The annually established Local Payment Standards by submarket and bedroom size are used to determine the maximum flat rent that can be charged to public housing residents. The actual flat rent may fall below the Local Payment Standard based on a comparison of like units in the same area consistent with standard industry rent comparable practices. If an annual review of the Local Payment Standards indicates an increase or decrease of more than 10% from the current rate, the public housing flat rent will be re-assessed. The new flat rents will be applied in accordance with the rent increase process as detailed in our Admissions and Continued Occupancy Policy and related Codes of Federal regulation that govern our public housing program.

The activity applies to MTW and VASH households.

Since implementation, this activity has shown a significant improvement in the number of families able to move to areas of opportunity. We have nearly met or exceeded the benchmarks for our local metric, which measures the number of households residing in the two submarkets with the highest poverty and minority concentration. Overall, the number of households residing in these two submarkets has decreased by 9% since implementation. This change reflects an increase in the number of families that have relocated out of these submarkets into other areas of greater opportunity. HACSB anticipates that this trend will continue, and that the number of families relocating out of these submarkets will hold steady or increase slightly.

### **iii. Planned Non-Significant Changes**

None.

### **iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- SS #1: Increase in Household Income
- SS #3: Increase in Positive Outcomes in Employment Status
- SS #8: Households Transitioned to Self-Sufficiency
- HC #5: Increase in Resident Mobility
- Local Metric: Average HAP Cost
- Local Metric: Households Able to Move from Areas of Poverty and/or Minority Concentration

### **v. Planned Significant Changes**

None.

## Activity 13: Local Inspection Policies

### i. Plan Year Approved, Implemented, Amended

- FY 2010: Initial approval. Implemented on May 1, 2011.
- FY 2015: Modified to expand biennial inspections to all MTW units
- FY 2016 and FY 2017: Expanded biennial inspections implemented across all MTW units.

### ii. Description/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

This activity allowed HACSB to develop and implement local inspection standards for the Housing Choice Voucher (HCV) program that have increased operational efficiencies and ensured better housing options for low-income families. A modification to this activity was approved via our FY 2015 Annual MTW Plan. Biennial inspections are conducted for all units, and the property rating system currently used to determine the frequency of inspections for each unit was eliminated. Assisted units that were previously inspected annually were moved to a biennial inspection schedule, with 50% of those units inspected in FY 2016 and the remaining 50% inspected in FY 2017. No change was made to HACSB's enhanced local inspection standards.

In FY 2013, HACSB completely outsourced our HCV inspections. This change resulted in additional staff time and cost savings. We continue to perform quality checks of our portfolio for accuracy, inspection standards, and customer satisfaction. The percentage of inspections that have met our quality standards and qualified for biennial inspections has been well above the expected outcome. In FY 2017, HACSB met and exceeded our benchmark savings with a total savings of \$205,740. Additionally, the total staff time has decreased by over 90%, in spite of the additional time spent per inspection as a result of our local enhanced standards, largely due to the outsourcing of inspections. We anticipate that the cost and time savings will continue in future years.

### iii. Planned Non-Significant Changes

None.

### iv. Planned Changes to Metrics/Data Collection

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- CE #3: Decrease in Error Rate of Task Execution

Standard metrics CE #2 and CE #3 were added in HACSB's 2015 Annual Plan per HUD's request. The objective of the activity is to achieve agency cost savings. As a result, HACSB does not anticipate that these metrics will reflect a decrease in error rates related to this task or an increase in staff time savings as a direct result of this activity.

**v. Planned Significant Changes**

None.

## Activity 14: Local Asset Management Program

### **i. Plan Year Approved, Implemented, Amended**

- FY 2010: Initial approval.

### **ii. Description/Update**

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

The First Amendment to the Standard MTW agreement executed on May 21, 2009 allowed HACSB to design and implement a local asset management program. As per our FY 2012 MTW Annual Plan and in accordance with the federal Office of Management and Budget (OMB) Circular A-87, we elected to establish a cost allocation methodology to allocate direct and indirect costs and establish an indirect cost rate. Detailed information is provided in the appendices to this Plan.

### **iii. Planned Non-Significant Changes**

None.

### **iv. Planned Changes to Metrics/Data Collection**

None.

### **v. Planned Significant Changes**

None.



## Activity 18: Property Management Innovation

### i. Plan Year Approved, Implemented, Amended

- FY 2011: Initial approval. Implemented on January 1, 2012.

### ii. Description/Update

This activity addresses the MTW statutory objective to reduce costs and achieve greater effectiveness in federal expenditures.

This activity allowed HACSB to develop a property management innovation program that reflects private sector property management principles. The activity has the objective of implementing policies that are used in the private sector to decrease management costs, improve the quality of our units, and assist our tenants in becoming familiar with private sector property management principles. All residents signed a new lease which incorporated all the changes proposed in the activity. The lease reflected the following changes approved by HUD in our FY 2011 plan:

- a. 3-Day Notice to Pay or Quit (previous policy was 14 days).
- b. NSF fees of \$25.00 for first and \$35 for additional items (previous policy was \$25.00).
- c. Late fees increased from \$20 to \$50.
- d. Security deposits equal to one month's market rent (current security deposit charged is \$500.00)
- e. Implement a holding deposit of \$200.00
- f. Agency will choose lower of flat rent or 30% income rent for residents.
- g. Grievance Process – Previous two step process was replaced with a single on site settlement conference with staff for timely and effective resolutions to issues.

The activity has resulted in cost savings and administrative efficiencies gained from the streamlined grievance process as well as the reduction in arbitration and unit turnaround costs. As a result of HACSB's ongoing conversion of our entire Public Housing portfolio through the Rental Assistance Demonstration (RAD) program, the following components of this activity were eliminated in FY 2016 and FY 2017:

- a. 3-Day Notice to Pay or Quit
- g. Modified grievance process

### iii. Planned Non-Significant Changes

None.

**iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings

**v. Planned Significant Changes**

None.

## Activity 19: Local FSS Program

### i. Plan Year Approved, Implemented, Amended

- FY 2011: Initial approval. Implemented on July 1, 2012.

### ii. Description/Update

This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.

HACSB has developed a pilot local FSS (Family Self-sufficiency) program to help families in their self-sufficiency efforts. Through our local FSS program, program participants are eligible to receive the balance of their escrow savings account at the end of their FSS contract if they voluntarily terminate their assistance from the Housing Choice Voucher or Public Housing program due to self-sufficiency efforts. Families may also withdraw a portion of their FSS escrow savings balance during participation in the Local FSS program for certain self-sufficiency-related activities.

### iii. Planned Non-Significant Changes

None.

### iv. Planned Changes to Metrics/Data Collection

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- SS #1: Increase in Household Income
- SS #2: Increase in Household Savings
- SS #3: Increase in Positive Outcomes in Employment Status
- SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)
- SS #5: Households Assisted by Services that Increase Self-Sufficiency
- SS #6: Reducing Per Unit Subsidy Costs for Participating Households
- SS #7: Increase in Tenant Rent Share
- SS #8: Households Transitioned to Self-Sufficiency

Standard metrics SS #2, SS #4, SS #5, SS #6, and SS #7 were added in HACSB's 2015 Annual Plan per HUD's request.

### v. Planned Significant Changes

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plan for this activity.

## Activity 20: Term-Limited Lease Assistance – (formerly “Five-Year Lease Assistance Program” and “Term Limits”)

### i. Plan Year Approved, Implemented, Amended

- FY 2011: Initial approval. Implemented on January 1, 2012.
- FY 2015: Modified to include potential termination from the program for noncompliance with the household’s Supportive Services Agreement.
- FY 2016: Modified to include an intake hardship exemption for extremely low-income and Triage Step 3 households and to expand the end-of-term hardship exemption. This modification was not implemented.
- FY 2017: Modified to include income-based subsidy calculation for new families joining the program, requirement for families to lease a unit with no more than one bedroom more or less than their voucher size, a post-assistance tracking survey process, and approval to implement incentives for families to move to areas of opportunity.
- FY 2018: Modified to include right-size unit restriction, limitation on the approvable amount of rent increases, and a limitation on the amount of subsidy paid on behalf of over-housed families.

### ii. Description/Update

This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.

The goal of this activity is to enable the families we serve to focus on self-sufficiency efforts while we assist them with their housing needs for a limited term<sup>1</sup>. This activity applies to new non-elderly and non-disabled households admitted to the Housing Choice Voucher program from HACSB’s waiting list, porting in from another jurisdiction, or exercising mobility from HACSB project-based voucher sites. Families served through this activity are provided with up to five years of housing assistance and supportive services, with the possibility for extension through a hardship exception that may provide up to two years of additional assistance.

Currently assisted families who are selected from the wait list during their term of participation in the program may continue their current term of participation, but will not be provided a new or extended term of assistance. In such circumstances, the application will be removed from the wait list.

<sup>1</sup> Excludes legacy families exercising mobility from an HACSB Rental Assistance Demonstration (RAD) Project-Based Voucher (PBV) site.

**Subsidy Calculation:**

Families participating in the activity before November 1, 2017: the housing subsidy is set at 50% of the applicable payment standard for the unit selected by the family.

Families joining the activity on or after November 1, 2017: the subsidy calculation mirrors the Streamlined Fixed Assistance Program for New Non-Elderly/Non-Disabled Households. Under that calculation, the family's rent share is the greatest of 30% of their gross income, the minimum rent, or baseline rent, for the duration of assistance.

A subsidy limitation also applies to these families. To encourage families to select units that are appropriately sized and most likely to be affordable to the family when coupled with the rental subsidy, HACSB will apply a subsidy limitation to over-housed families. Over-housed families are those who have voluntarily selected and leased a unit that is larger than their voucher size. For example, a family with a two-bedroom voucher may choose to lease a three-bedroom unit. In these instances, the rental subsidy is capped by the applicable HACSB Local Payment Standard. However, in many cases the contract rent for the larger unit exceeds the contract rent for a unit that is the same size as the voucher issued to the family, which results in a greater family rent share than if the family had selected a smaller unit. Additionally, this scenario increases the HAP subsidy, often to the maximum allowable amount. Through this activity, HACSB will limit the maximum subsidy for over-housed families to the average subsidy rate for families that are not over-housed with the same size voucher.

**Supportive Services:**

During the term of assistance, HACSB also provides supportive services to the family through its Career Development Initiatives (CDI) department. Families are required to meet with their CDI caseworker at least annually to review their action plan and progress. Services provided to families through the CDI team include:

- Needs assessment at intake to determine whether families have the resources needed to be successful in this program;
- Development of an individualized action plan for success;
- Access to on-site Workforce Development Specialists through our contract with the County Workforce Development Department;
- Onsite access to a Family Stabilization Specialist and Employment Services Specialist through HACSB's contract with the San Bernardino County Transitional Assistance (welfare) Department;
- Access to other resources designed to provide the family with meaningful support and tools to enhance the family's chances for success.

**Mobility:**

For families who initially leased under this activity prior to September 21, 2015, and who port to another jurisdiction during the term of assistance, the term limit will continue to apply unless the household is absorbed by the receiving agency. For families who initially lease under this program on or after September 21, 2015, the administration of the voucher will be in accordance with the receiving PHA's policies in accordance with the Federal Register notice published September 21, 2015.

**Hardship Exemptions:**

HACSB recognizes that the expiration of assistance may present a hardship for some families, and has developed hardship exemptions in four categories:

1. Completion of Self-Sufficiency Activity: to allow the family to complete an educational, job training, or other approved self-sufficiency activity.
2. Unforeseen and Involuntary Loss of Income
3. Near-Elderly Family: if the head of household will reach age 62 no later than six (6) months after the end of term or any applicable extension, the household may request a transfer to HACSB's Streamlined Lease Assistance for Elderly/Disabled Families.
4. Other Reasons: this category allows HACSB to approve an extension of assistance for rare or unusual circumstances, such as PHA error.

To be eligible for a hardship exemption, the family must have complied with all requirements of the program, including the Supportive Services Agreement. Any approved extension shall not exceed two years, and shall be approved in increments of six or twelve months as determined by HACSB. Total Term:

The total term of assistance under the program, including any approved hardship exemption, shall not exceed seven years.

**Unit Size Limitation:**

Households assisted under the Term-Limited Assistance Program must select a unit whose number of bedrooms is within one bedroom of the voucher size. For example, a family with a two-bedroom voucher may select a one-, two-, or three-bedroom unit. The intent of this component is to ensure that households choose a unit that is appropriately sized and affordable for their income situation. Overhoused families are also more costly to house than families in right-sized units. As a result, HACSB requested and received approval through its 2018 Annual MTW Plan to require participant families to lease a unit that is the same size as their voucher. This modification has not been implemented as of the time of this writing, but HACSB may implement the change if other modifications do not result in families choosing to lease appropriately sized units.

**Incentive to Move to Areas of High Opportunity:**

HACSB may provide incentive to families in the term-limited lease assistance program to move to areas of high opportunity, as identified by HACSB.

**Post-Assistance Tracking Incentive:**

HACSB has partnered with Loma Linda University (LLU) to implement a survey system collecting information from Term-Limited Lease Assistance families at exit and annually for two years after assistance has concluded. Although participation in the survey is voluntary, a monetary incentive is provided for families completing the survey. Families receive the incentive payment only upon completion of each survey.

**Rent Increase Limitation:**

Through its 2018 Annual MTW Plan HACSB was granted authorization to limit the value of approvable rent increases to an amount less than the average value of previously approved rent increases. For example, the average value of rent increases approved in FY 2016 was 10% of the previous contract rent. This modification would permit HACSB to cap the rent increase at a value less than 10% of the previous contract rent. This modification will provide HACSB with a mechanism to slow the HAP cost increases resulting from continued rent increases. However, HACSB intends to implement this flexibility only if internal analysis demonstrates that it is necessary to ensure financial viability of the program.

The activity is now in its eighth year. HACSB has partnered with Loma Linda University to conduct a longitudinal study to monitor the families served through this activity, tracking their goals and accomplishments. We have seen positive outcomes since implementation, including:

- The average earned income for families in the program has increased by 60.5%;
- Full-time employment increased by 20.3%;
- Unemployment decreased by 20.6%

As families progress through the program, we have learned more about the impacts of the activity. Our Career Development Initiatives team worked with families to assist them with the goals identified on their Individual Training and Services Plan (ITSP), and the families in their fourth and fifth years of participation are showing promising momentum. We will continue to work with our Loma Linda University partners to evaluate the families' progress and challenges. We are also very interested in learning what residual impacts the program has on families after they leave the program. In FY 2017 we began implementation of an expansion to the evaluation of the program, which includes a review of family information for up to two years after they leave the program. More information on the study will be provided in future MTW Plans and Reports.

### **iii. Planned Non-Significant Changes**

None.

### **iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- SS #1: Increase in Household Income
- SS #3: Increase in Positive Outcomes in Employment Status
- SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)
- SS #5: Households Assisted by Services that Increase Self-Sufficiency
- SS #8: Households Transitioned to Self-Sufficiency

No changes to benchmarks are anticipated as a result of the proposed changes. HACSB will use data from its tenant database to supply data related to this activity.

### **v. Planned Significant Changes**

None.



## Activity 22: Streamlined Lease Assistance Program

### i. Plan Year Approved, Implemented, Amended

- FY 2013: Initial approval.
- FY 2015: Implemented February 1, 2015.
- FY 2016: Modified to add “Streamlined Fixed Lease Assistance for New Non-Elderly/Non-Disabled Households”.
- FY 2017: Modified to add a unit size limitation for tenant-based voucher programs.
- FY 2018: Modified the rent tiers for career-able families currently participating in the Streamlined Tiered Lease Assistance program from 21/24/27/30% to 30/33/36%.

### ii. Description/Update

This activity addresses the MTW statutory objective to give incentives to families with children whose head of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient.

Through this activity, HACSB has implemented an alternative subsidy/rent schedule for households participating in the Housing Choice Voucher and Public Housing programs. The activity applies to:

- Public Housing: all current and new households;
- Housing Choice Voucher: all current and new households not currently participating in or admitted to the Term-Limited Lease Assistance Program.

The rent for families in the Streamlined Lease Assistance program is calculated based on a percentage of gross annual income. A minimum rent and baseline rent also apply. The rent percentages were established based on analysis that included deductions and allowances permitted under traditional program regulations, and therefore no deductions or allowances are applied to the calculated rent amount calculated. Households participate in either fixed assistance or tiered assistance, based upon family type.

#### **Fixed Assistance Program for Elderly/Disabled Households:**

Families admitted prior to January 1, 2019: The family’s rent share (TTP) is the greatest of 24% of their gross income, the minimum rent, or baseline rent for the duration of assistance.

Families admitted on or after January 1, 2019: The family’s rent share (TTP) is the greatest of 30% of their gross income, the minimum rent, or baseline rent for the duration of assistance. This component is pending implementation, with an anticipated start date of January 1, 2019, or as soon as feasible thereafter.

**Tiered Assistance Program for Non-Elderly/Non-Disabled Households:**

The family's rent share (TTP) begins at the greatest of 30% of their gross income, the minimum rent, or baseline rent. The income percentage may increase by 3% at each subsequent biennial recertification to a maximum of 36%. HACSB intends to implement the additional rent tiers of 33% and 36% only if internal analysis demonstrates that it is necessary to ensure financial viability of the program without terminating assistance or serving fewer families. The rent tier structure was changed through our FY 2018 Annual MTW Plan, and is being implemented beginning February 1, 2018. All families receive an automatic six-month hardship exemption which delays any change in tenant portion.

HACSB's minimum rent activity also applies for both Fixed and Tiered assistance. Additionally, a baseline rent for the family is established at each biennial recertification, and future rent amounts may never fall below the baseline rent. If the calculated rent amount exceeds the ceiling rent for Public Housing or the contract rent for Housing Choice Voucher families, the lesser of the calculated TTP or rent amount is applied as the family's rent share.

**Unit Size Limitation (Tenant-Based Voucher Programs Only):**

In order to ensure that households choose a unit that is appropriately sized and affordable for their income situation, households assisted under the Streamlined Lease Assistance Program must select a unit whose number of bedrooms is within one bedroom of the voucher size. For example, a family with a two-bedroom voucher may select a one-, two-, or three-bedroom unit.

Our FY 2018 Annual MTW Plan included approval to require families to select a unit that is the same size as their voucher. Families would not be permitted to lease an over-sized unit. This modification will be implemented only if the subsidy limitation modification described previously does not result in families selecting appropriately sized units.

**Subsidy Limitation:**

To encourage families to select units that are appropriately sized and most likely to be affordable to the family when coupled with the rental subsidy, HACSB intends to implement a subsidy limitation for over-housed families. These are families that have voluntarily selected and leased a unit that is larger than their voucher size. For example, a family with a two-bedroom voucher may choose to lease a three-bedroom unit. In these instances, the rental subsidy is capped by the HACSB Local Payment Standard. However, in many cases the contract rent for the larger unit exceeds the contract rent for a unit that is the same size as the voucher issued to the family, which results in a greater family rent share than if the family had selected a smaller unit. Additionally, this scenario increases the HAP subsidy, often to the maximum allowable amount of HACSB's Local Payment Standard. Through this activity, HACSB will limit the maximum subsidy for over-housed families to the average subsidy rate for families that are not over-housed with the same size voucher.

**Rent Increase Limitation (voucher programs only):**

HACSB's FY 2018 Annual MTW Plan included approval to limit the value of approvable rent increases to an amount less than the average value of previously approved rent increases. For example, the average value of rent increases approved in FY 2016 was 10% of the previous contract rent. HACSB is permitted to cap the rent increase at a value less than 10% of the previous contract rent. HACSB intends to implement this flexibility only if internal analysis demonstrates that it is necessary to ensure financial viability of the program. At the time of this writing, this flexibility has not been implemented.

At the time of this writing, all existing households have been converted to Streamlined Lease Assistance at their biennial recertification. 152 implementation hardship exemptions have been approved for households for whom the transition to Streamlined Lease Assistance would have caused a substantial increase in the family's share of rent.

**iii. Planned Non-Significant Changes**

None.

**iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #1: Agency Cost Savings
- CE #2: Staff Time Savings
- CE #3: Decrease in Error Rate of Task Execution
- SS #1: Increase in Household Income
- SS #3: Increase in Positive Outcomes in Employment Status
- SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)
- SS #6: Reducing Per Unit Subsidy Costs for Participating Households
- SS #7: Increase in Tenant Rent Share
- SS #8: Households Transitioned to Self-Sufficiency

**v. Planned Significant Changes**

There has been no change in the Attachment C authorizations that were waived under our approved Annual MTW Plan for this activity.

## Activity 23: No Child Left Unsheltered

### i. Plan Year Approved, Implemented, Amended

- FY 2014: Initial Approval through HACSB's FY 2014 Annual MTW Plan. Implemented on April 1, 2015.
- FY 2015: Modified to expand program eligibility criteria.
- FY 2018: Modified to add twenty tenant-based vouchers for the foster care component.
- FY 2019: Modified through HACSB's FY 2019 Annual MTW Plan, Amendment 1, to add an automatic transition to HACSB's TLA or SLA activity after two years of participation in NCLU for families newly participating in the activity.

### ii. Description/Update

This activity addresses the statutory objective to provide incentives to families to achieve self-sufficiency.

The No Child Left Unsheltered program aims to end homelessness of any unsheltered family with children in San Bernardino County, with special attention to the education and well-being of the children and the economic advancement of the parents. No Child Left Unsheltered (NCLU) will help address extremely critical needs of unsheltered families in the county by offering Housing Choice Voucher rental subsidies to families who are identified as eligible unsheltered homeless families with children. The program will also provide families with supportive services and resources such as emergency relief, school connections with community support, and job training for parents.

Through this activity, HACSB has set aside forty (40) Housing Choice Vouchers to be made available to eligible families. The rental subsidy is calculated using the Streamlined Lease Assistance program methodology. HACSB has partnered with a variety of local community service providers, including the school system, to identify families, particularly those with school-age children, who are unsheltered. Each identified family will be encouraged to apply for assistance, and if eligible, will receive assistance after being selected from the waiting list using a preference specifically for this program.

Our FY 2019 Annual MTW Plan, Amendment 1, included a modification to this activity to automatically transition eligible families to another HACSB housing program after two years of participation in NCLU. This modification will apply to new NCLU families only.

### Foster Care Component

Through our FY 2018 Annual MTW Plan, we modified this activity to add twenty (20) units to allow participation by young adults participating in the Department of Children and Family Services Foster Care Aftercare program. Services will target low-income young adults age 18-21 in the Aftercare program who are in need of housing support to transition to stable independent living. Individuals in the Aftercare program receive only limited services through the Foster Care program and are ineligible for housing support through

the Foster Care program. Assistance under this component will be subject to the availability of funds. To be eligible for housing support through this component of the NCLU program, the household must:

- Be referred by the San Bernardino County department of Children and Family Services; and
- Be a low-income family as defined by HUD; and
- Meet HACSB's criminal history background screening requirements; and
- Be an active participant in the Aftercare program.

HACSB anticipates that the individuals served through this program will be primarily single individuals, but may also include families with one or more dependent children.

Through this component, HACSB will provide each eligible family up to three years of housing support through the Housing Choice Voucher program. The term of support will coincide with the family's enrollment in the Aftercare program, and the subsidy will be calculated using HACSB's Streamlined Lease Assistance program (MTW Activity 22) methodology. Additionally, the family will be required to engage in supportive services through HACSB's Career Development Initiatives (CDI) department and to complete an Individual Training and Services Plan. To ensure that services provided by the Foster Care program and HACSB's CDI department continue to be accessed during the term of assistance, the family may not exercise portability or mobility.

The family may request an extension of assistance of up to one year beyond their participation in the Foster Care Aftercare program. HACSB will apply the same hardship eligibility criteria and approval procedures as established for the Term-Limited Lease Assistance Program (MTW Activity 20).

### **Unit Designation**

In March 2015, the HACSB Housing Commission and Board of Governors approved the award of the 40 project-based voucher units reserved for this activity to units within the HACSB-owned and HACSB-affiliated non-profit housing stock. HACSB is authorized to award these contracts through a non-competitive process under its Local Project-Based Voucher MTW Activity (activity 11), approved by HUD through HACSB's 2009 Annual MTW Plan. Families housed through this activity typically have significant challenges in locating housing through the traditional tenant-based voucher program. This award gives HACSB, as the property owner, the ability to house the families more quickly and with more flexibility than in the traditional tenant-based voucher program, thus reducing the wait for housing from upwards of 60 days to only a few days within this non-traditional program.

HACSB selected the locations of the 40 project-based voucher units using data from the most recent homeless point-in-time survey. The units will be distributed throughout the county as follows:

Property Owner	Number of Units	Communities
HACSB	26	Kingsley Patio Homes, Montclair Stone Creek Apartments, Loma Linda Sunset Gardens, Yucaipa Hampton Court Apartments, Redlands Andalusia, Victorville Mesa Gardens, Hesperia
HPI Property Acquisitions LLC	10	Kendall Drive Apartments, San Bernardino Kendall Park Apartments, San Bernardino
Summit Place LLC	4	Summit Place, Ontario

This activity served eight new families and 31 total families in FY 2018, and an estimated \$80,750 in funds were leveraged through the San Bernardino County Department of Behavioral Health for two part-time employees to serve NCLU customers. The second component for young adults participating in the Department of Children and Family Services Foster Care Aftercare program has not yet been fully implemented.

### iii. Planned Non-Significant Changes

None.

### iv. Planned Changes to Metrics/Data Collection

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- CE #4: Increase in Resources Leveraged
- SS #8: Households Transitioned to Self-Sufficiency
- HC #3: Decrease in Wait List Time
- HC #7: Households Assisted by Services that Increase Housing Choice
- Local Metric: Households Housed through This Activity

### v. Planned Significant Changes

None.

## Activity 24: Transition for Over-Income Public Housing/Housing Choice Voucher Families

### i. Plan Year Approved, Implemented, Amended

- FY 2014: Initial approval. Implemented on April 1, 2015.
- FY 2015: Modified to exclude current participants of our Family Self-Sufficiency program.

### ii. Description/Update

This activity addresses the statutory objective to provide incentives to families to achieve self-sufficiency.

In an effort to create more housing opportunities for families on our Public Housing and Housing Choice Voucher waiting lists, and in recognition of certain families attaining self-sufficiency, HACSB has implemented this activity to transition families who have an annual income which exceeds 80% of area median income (“over-income”) off of housing assistance. This activity applies to the Public Housing program, Tenant-Based Housing Choice Voucher program, and Project-Based Voucher program.

Through this activity, over-income families will be given a six-month transition period. After the six-month transition period, families will transition to receiving no housing assistance from HACSB. Public Housing and Project-Based Voucher families will be required to move and HCV families will have the option of remaining with their current landlord with no assistance or locating alternate housing.

Elderly/disabled families and participants of the Family Self-Sufficiency and Homeownership programs are exempt from this activity. The transition period begins for existing families identified as over-income on April 1, 2015, and at interim or recertification for families that become over-income after April 1, 2015.

If, during the six-month transition period, an over-income family’s income falls below 80% of the AMI, then the family will no longer be considered over-income and will not transition off of the program.

Families in the six-month transition period may also qualify for a hardship exemption from this activity for no-fault loss of income and/or death of a family member with income if the change in income results in the family’s income falling below 80% of AMI. If a hardship exemption is approved for such situations, the family will be removed from the six-month transition period and will not transition off the program.

This activity was implemented effective April 1, 2015. At implementation, 89 currently-assisted households were identified as “over-income” and given notice of the six-month transition period. Ultimately, 49 of those families were removed from the transition either due to a hardship or because they were determined to be no longer over-income. This activity is ongoing and we will report further outcomes via our FY 2018 Annual MTW Report.

### **iii. Planned Non-Significant Changes**

None.

### **iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metric:

- SS #8: Households Transitioned to Self-Sufficiency

### **v. Planned Significant Changes**

None.



## Activity 25: Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing

### i. Plan Year Approved, Implemented, Amended

- FY 2016: Initial approval.

### ii. Description/Update

This activity addresses the MTW statutory objective to increase housing choices for low-income families.

This activity allows HACSB to apply an amended definition of elderly for the project-based vouchers at the Horizons at Yucaipa Affordable Senior Housing development in order to meet both the City of Yucaipa's requirements for affordable senior housing as well as the age requirement for the special needs population to be served by units financed under the Mental Health Stabilization Act (MHSA). For purposes of this property, there are two definitions of an elderly (senior) individual.

The Horizons at Yucaipa Affordable Senior Housing development is a two-phase, 77-unit new construction development in the City of Yucaipa. Phase I of the development is 50 units on approximately 4.2 acres of vacant land, and includes 49 Project-Based Vouchers and one manager's unit. Phase II will include 27 units and will also be developed for seniors at least 55 years of age. The Phase II building will incorporate into the Phase I building so amenities can be shared and costs reduced. The development will be 100% affordable housing financed through a combination of the following funding sources:

- 4% Low Income Housing Tax Credits
- Tax Exempt Bond funding
- County HOME
- County Mental Health Services Act funding (MHSA)
- Fee deferrals from the City of Yucaipa
- Permanent debt

Phase I contains 50 units. 10 of the 50 units in Phase I are reserved as MHSA units and carry an age restriction of 60 years old. The property will operate as affordable housing for seniors. For the 10 MHSA units, an elderly (senior) individual shall be defined as one who is 60 years of age or older in order to meet the MHSA requirements. For the remaining PBV units, an elderly (senior) individual

In 2015 HPI broke ground on the Horizons at Yucaipa development, and construction of Phase I was completed in the spring of 2017. The phase achieved full lease-up and full occupancy by May 2017. HPI is currently looking at financing options to begin construction of phase II, 27 additional senior units, in the summer of 2021.

### **iii. Planned Non-Significant Changes**

None.

### **iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- HC #4: Displacement Prevention
- HC #5: Increase in Resident Mobility
- Local Metric: Additional Units of Housing Made Available (same as Standard Metric HC #1)
- Local Metric: Seniors 55 to 60 Years of Age Housed through This Activity

### **v. Planned Significant Changes**

None.

## Activity 26: Local Disaster Short-Term Rental Assistance Program

### i. Plan Year Approved, Implemented, Amended

- FY 2017: Initial approval through FY 2017 Annual MTW Plan, Amendment 1.

### ii. Description/Update

In August 2016 the massive Blue Cut Fire burned more than 36,000 acres in the Cajon pass area of San Bernardino County. The fire caused the complete shutdown of the Interstate 15 freeway and railroad lines, mandatory evacuations of an estimated 82,000 persons in at least six cities, and destroyed 105 homes and 216 minor structures<sup>2</sup>. In the immediate aftermath, approximately seventy families displaced by the fire were in need of temporary assistance to stabilize their housing situation.

The Blue Cut Fire illustrated the need for HACSB to have in place a mechanism to provide temporary housing assistance to families in the event of certain local disasters. This proposed activity is designed to meet that need.

Through this activity HACSB will implement a short-term rental assistance program to provide temporary housing choice voucher assistance to families displaced as the result of a local disaster. Except as noted below, HACSB's policies for the Housing Choice Voucher Program shall apply to the Local Disaster Short-Term Rental Assistance Program.

**Determination of Local Disaster:** Assistance in this program will be limited to families displaced as the direct result of a local disaster. A local disaster is an event that occurs within the County of San Bernardino and may include a natural disaster such as an earthquake, fire, flood, or storm, an act of terrorism, or other event as determined by HACSB. The qualification of a local disaster would be declared by HACSB through a resolution of its governing board.

**Wait List:** HACSB will maintain a separate wait list for this activity. The wait list will be opened only when a local disaster is declared through a resolution of HACSB's governing board and only to individuals displaced as a direct result of the local disaster.

This program is not a set-aside. No vouchers will be reserved for this activity. Rather, the funding source will be the MTW Block Grant. Assistance provided through this activity may be offset by a decrease in the number of families served through the Housing Choice Voucher Program. However, because this activity will provide short-term assistance to families, any potential offset would be minimal and take place through normal attrition within the program. As an example, if ten families receive one year of assistance through this activity, the offset to the Housing Choice Voucher Program would not be ten families. Because the average length of stay for current non-elderly and non-disabled families in the Housing Choice Voucher Program is nearly 10 ½ years,

<sup>2</sup> "CalFire Incident Information – Blue Cut Fire," fire.ca.gov, August 23, 2016. [http://www.fire.ca.gov/current\\_incidents/incidentdetails/Index/1391](http://www.fire.ca.gov/current_incidents/incidentdetails/Index/1391)

serving ten families through one year of short-term assistance is roughly equivalent to serving one family through our Housing Choice Voucher Program.

**Eligibility:** Families assisted through this activity will be subject to eligibility screening. At a minimum, each family must qualify as low-income (having gross annual income at or below the HUD-published Area Median Income adjusted for family size) and pass HACSB's criminal history background screening.

**Term of Assistance:** The term of assistance shall be determined by HACSB based upon the nature of the disaster at the time the local disaster is declared. In general, HACSB anticipates the term of assistance shall be six (6) to twelve (12) months. If appropriate, HACSB may provide a hardship extension. In any case, the total term of assistance shall not exceed twenty-four (24) months.

**Subsidy Calculation and Reexamination:** The rental subsidy and tenant rent portions shall be determined using the formulas established through HACSB's MTW Activity 22: Streamlined Lease Assistance Program. Please refer to the detailed description of the Streamlined Lease Assistance Program in Section IV of this plan for additional information. No reexamination of income will be conducted during the term of assistance, regardless of the length of the term. The table below summarizes the subsidy calculation formula.

Household Type	Tenant Rent Portion	HACSB Subsidy
Elderly and/or Disabled Households	The greater of: <ul style="list-style-type: none"><li>• 24% of gross income</li><li>• HACSB's minimum rent (currently \$125)</li><li>• The baseline rent</li></ul>	Contract rent less tenant rent portion
Non-Elderly and Non-Disabled Households	The greater of: <ul style="list-style-type: none"><li>• 30% of gross income</li><li>• HACSB's minimum rent (currently \$125)</li><li>• The baseline rent</li></ul>	Contract rent less tenant rent portion

**Leveraging of Resources:** In order to maximize the benefit to assisted families, whenever possible HACSB will engage community partners to provide additional funding, housing stabilization services, and related supportive services to the families assisted through this activity.

**HAP Contract and Lease:** The terms of the lease and HAP Contract shall be the same as the term of the Local Disaster Short-Term Rental Assistance.

**Portability:** Families assisted through this activity may not exercise portability to another jurisdiction unless the receiving PHA will absorb the family.

**Subject to Availability:** Assistance provided through this activity shall be subject to the availability of funding as determined by HACSB.

HACSB received approval of this activity via its 2017 Annual MTW Plan, Amendment 2, in April 2017. We are now working to incorporate policy revisions to facilitate implementation of the activity. We anticipate that this activity will be operational in 2018. However, HACSB will only house families through this activity in the event of a locally declared disaster.

### **iii. Planned Non-Significant Changes**

None.

### **iv. Planned Changes to Metrics/Data Collection**

None. In accordance with HUD Form 50900, HACSB will report on this activity using the following metrics:

- HC #3: Decrease in Wait List Time
- Local Metric: Number of Households Served through the Activity

### **v. Planned Significant Changes**

None.

## B. Not Yet Implemented Activities

HACSB does not currently have any activities that are approved and not yet implemented.

## C. Activities on Hold

### Activity 3: Alternate Assessment Programs

This activity was approved in our FY 2009 Annual MTW Plan and was placed on hold in FY 2011.

#### **i. Activity Description and Reason(s) for On-Hold Status**

This activity was approved through HACSB's FY 2009 Annual MTW Plan and has not been implemented. The activity was placed on hold via HACSB's FY 2010 Annual MTW Plan.

The activity allows HACSB to opt out of the HUD SEMAP and PHAS scoring systems and establish its own program assessment systems designed to measure the quality and timeliness of work performed under the MTW Agreement.

HACSB formally opted out of the PHAS and SEMAP on December 8, 2010, and will continue to retain its high performer status until a new MTW-wide successor system is adopted, at which time HACSB can be fully scored under that system.

At HUD's 2009 Annual MTW Conference we learned that there was an effort to establish an MTW-wide successor to the Section Eight Management Assessment Program (SEMAP) and Public Housing Assessment Program (PHAS) systems currently in place. Rather than develop its own assessment system, HACSB determined that it would instead place this activity on hold until the MTW-wide assessment system is implemented. The MTW-wide assessment system is still in development, and this activity remains on hold pending approval and implementation of that system.

#### **ii. Plan for Reactivation**

HACSB continues to participate in a working group consisting of team members from various MTW agencies nationwide in an effort to develop a replacement assessment. A final recommendation will be made pending consensus from the current active MTW agencies.

The exact date for implementation of the MTW-wide assessment system is not yet known. The system will need to be approved by HUD prior to implementation, and a target date has not yet been set.

#### **iii. Non-Significant Changes or Modifications Since Approval**

No modifications are proposed for this activity.

## D. Closed Out Activities

### Activity 2: Strategic Investment Policies

#### i. Approval, Implementation, and Close-Out Years

This activity was approved through our FY 2009 Initial Annual MTW Plan and implemented in November 2010. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

#### ii. Reason(s) for Close-Out

This activity was closed out in response to HUD's comments regarding the HACSB FY 2019 Annual MTW Plan, wherein HUD stated that Notice PIH 2011-67 (Implementation of New Cash Management Requirements for the Housing Choice Voucher Program) effectively nullifies the activity and requested that the activity be moved to the Closed Out Activities section of HACSB's Annual MTW Plan.

### Activity 6: Elimination of Assets

#### i. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2009 Annual MTW Plan and was implemented on October 1, 2009. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

#### ii. Reason(s) for Close-Out

This activity was closed out due to the merge of activities 5 (Local Verification Policies), 6 (this activity), 9 (Elimination of Earned Income Disallowance), and 17 (Local Income Inclusions) through HACSB's FY 2019 Annual MTW Plan. This activity is now closed out as a separate activity. However, the modifications originally included through this activity are now incorporated into activity 5, which was re-titled "Simplified Income Determination" through HACSB's FY 2019 Annual MTW Plan.



## Activity 7: Controlled Program Moves

### i. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2009 Annual MTW Plan and implemented on February 1, 2010. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

### ii. Reason(s) for Close-Out

This activity resulted in a significant decrease in agency costs and staff time spent related to processing voluntary moves. In FY 2017, both costs and time spent reflected approximately a 64% decrease over the baselines. The staff time spent per move was 42% lower in FY 2017 than the baseline value. However, because the total number of moves did not decrease as much as was anticipated, the benchmarks for staff time and cost savings were not reached.

As with all of our MTW activities, HACSB performed internal monitoring of aspects of the Controlled Program Moves activity beyond what was reported through our annual MTW reports. We found that, while this activity resulted in cost and time savings related directly to a reduction in the number of moves processed annually, it also resulted in additional administrative burden in other areas. For example, we identified an increase in the number of moves requested as a reasonable accommodation and/or under the provisions of the Violence Against Women Act (VAWA) after implementation of this activity. Additionally, the two-year lease requirement caused other challenges, especially for families nearing the end of their participation in the Term-Limited Lease Assistance Program. As a result, we eliminated the two-year lease requirement and closed out this activity through our FY 2019 Annual MTW Report.

## Activity 9: Elimination of Earned Income Disallowance

### i. Approval, Implementation, and Close-Out Years

This activity was initially included in HACSB's FY 2009 Initial Annual MTW Plan and became effective on October 1, 2009, for participants in the Housing Choice Voucher and Public Housing programs. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

### ii. Reason(s) for Close-Out

This activity was closed out due to the merge of activities 5 (Local Verification Policies), 6 (Elimination of Assets), 9 (this activity), and 17 (Local Income Inclusions) through HACSB's FY 2019 Annual MTW Plan. This activity is now closed out as a separate activity. However, the modifications originally included through this activity are now incorporated into activity 5, which was re-titled "Simplified Income Determination" through HACSB's FY 2019 Annual MTW Plan.

## Activity 15: Pilot Work Requirement

### **i. Approval, Implementation, and Close-Out Years**

This activity was approved in the FY 2010 Annual MTW Plan. The work requirement was implemented on January 1, 2013, for the Maplewood Homes Public Housing community, and expanded to include all inbound portability families effective August 1, 2010. The work requirement at Maplewood Homes was ended in FY 2016 as a result of the RAD conversion of that site. The work requirement for portability families was ended and this activity was closed out through HACSB's FY 2019 Annual MTW Plan.

### **ii. Reason(s) for Close-Out**

This activity was closed out as a result of internal analysis which identified certain challenges in administering the work requirement, as well as advantages of ending the requirement. Ending the work requirement will reduce administrative burden, streamline HACSB's processes, and increase housing choice for families who desire to exercise portability to San Bernardino County. Additionally, ending the work requirement will empower families to make decisions about their housing and employment that are best for their unique family circumstances.

## Activity 16: Operating Subsidy for Vista del Sol

### **i. Approval, Implementation, and Close-Out Years**

This activity was approved through the second amendment to our FY 2010 Annual MTW Plan and implemented on April 23, 2010. This activity was closed out via HACSB's FY12 Annual MTW Plan.

### **ii. Reason(s) For Close-Out**

On September 15, 2010, HACSB executed a Project-based Voucher contract, and no longer needs the operating subsidy.

## Activity 17: Local Income Inclusions

### i. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2011 Annual MTW Plan and implemented on May 1, 2011. This activity was modified through HACSB's FY 2015 Annual MTW Plan. The activity was closed out through HACSB's FY 2019 Annual MTW Plan.

### ii. Reason(s) for Close-Out

This activity was closed out due to the merge of activities 5 (Local Verification Policies), 6 (Elimination of Assets), 9 (Elimination of Earned Income Disallowance), and 17 (this activity) through HACSB's FY 2019 Annual MTW Plan. This activity is now closed out as a separate activity. However, the modifications originally included through this activity are now incorporated into activity 5, which was re-titled "Simplified Income Determination" through HACSB's FY 2019 Annual MTW Plan.

## Activity 21: Utility Allowance Reform

### i. Approval, Implementation, and Close-Out Years

This activity was approved in our FY 2012 Annual MTW Plan; it was never implemented. This activity was never implemented.

### ii. Reason(s) For Close-Out

This activity allowed HACSB to develop a flat utility allowance schedule for the Housing Choice Voucher Program based on the consumption methodology versus the traditional engineering methodology. However, subsequent development of other programs—namely, our Term-Limited Lease Assistance Program and the Streamlined Lease Assistance Programs—eliminate the need for a utility allowance. These programs are designed to incorporate the cost of utilities into the subsidy amount without the need to apply a utility allowance separately. As a result, the utility allowance schedule is no longer necessary.

HACSB will continue to monitor the success of the Streamlined Lease Assistance and Term-Limited Lease Assistance programs but at this time, the Agency has postponed utility allowance reform indefinitely.

# Section V: Sources and Uses of MTW Funds

## A. MTW Plan: Sources and Uses of MTW Funds

The following tables reflect anticipated MTW funding and expenses based upon information available to HACSB at the time of this writing. Some information is currently unavailable. As a result, the values reported at the time this Plan is posted for public comment may change when this Plan is presented to the HACSB Housing Commission for approval, and/or when the Plan is submitted to HUD for approval.

### *i. Estimated Sources of MTW Funds*

FDS LINE ITEM NUMBER	FDS LINE ITEM NAME	DOLLAR AMOUNT
70500 (70300+70400)	Total Tenant Revenue	1,500
70600	HUD PHA Operating Grants	91,082,515
70610	Capital Grants	10,491,680
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	6,995,233
71100+72000	Interest Income	15,000
71600	Gain or Loss on Sale of Capital Assets	-
71200+71300+71310+71400+71500	Other Income	145,196
<b>70000</b>	<b>TOTAL REVENUE</b>	<b>108,731,124</b>

*ii. Estimated Uses of MTW Funds*

FDS LINE ITEM NUMBER	FDS LINE ITEM NAME	DOLLAR AMOUNT
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	8,073,964
91300+91310+92000	Management Fee Expense	2,256,326
91810	Allocated Overhead	-
92500 (92100+92200+92300+92400)	Total Tenant Services	240,366
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	90,112
93500+93700	Labor	-
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	894,469
95000 (95100+95200+95300+95500)	Total Protective Services	-
96100 (96110+96120+96130+96140)	Total insurance Premiums	75,797
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	710
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	-
97100+97200	Total Extraordinary Maintenance	8,691,184
97300+97350	Housing Assistance Payments + HAP Portability-In	88,408,196
97400	Depreciation Expense	-
97500+97600+97700+97800	All Other Expenses	-
<b>90000</b>	<b>TOTAL EXPENSES</b>	<b>108,731,124</b>

DESCRIPTION OF VARIANCE BETWEEN ESTIMATED TOTAL REVENUE AND ESTIMATED TOTAL EXPENSES
None.

### *iii. Description of Planned Use of MTW Single Fund Flexibility*

In December 2014 HACSB was approved for conversion of its entire Public Housing portfolio under the Rental Assistance Demonstration (RAD) program. As units are converted the existing Public Housing funding will be converted to voucher funding. The converted funding is subject to the single-fund flexibility authorized under the second amended MTW Agreement between HACSB and HUD, which allows HACSB to combine Public Housing Operating Funds, Public Housing Capital Funds, and voucher program funds, for the purposes specified in the MTW Agreement.

Single-fund flexibility is crucial to HACSB's affordable housing development efforts. By leveraging multiple internal sources (Capital Fund, RHF, Voucher funding), HACSB is able to maximize funding from private sources and therefore is able to develop a greater number of housing units. For example, within the Waterman Gardens public housing revitalization project, single-fund flexibility is utilized to increase RAD contract rents to match local market rent levels, thereby allowing us to generate more private debt and equity necessary for new construction.

#### **PLANNED USE OF SINGLE FUND FLEXIBILITY**

1. HACSB's Local FSS activity (#19) is funded using single fund flexibility with savings achieved through other MTW activities.
2. HACSB's Career Development Initiatives (CDI) department and its services, which are not a separate MTW activity, are funded using single fund flexibility.
3. HACSB's post-assistance tracking survey for Term-Limited Lease Assistance families, implemented in FY 2018, includes a financial incentive for survey participants which is funded through the single fund flexibility.
4. HACSB is authorized to use Section 9 (Public Housing) funds defined as Public Housing operating reserves, Capital Fund Grants, Replacement Housing Factor Funds, and Demolition and Disposition Transitional Funds at former Public Housing properties that have been converted to Project-Based Voucher (PBV) properties through the Rental Assistance Demonstration. This authorization applies to accumulated reserves, including MTW reserves, and any future allocation of the funds specified in this authorization. The funds will be used for capital needs rehabilitation, operating expenses, and redevelopment costs.

## B. MTW Plan: Local Asset Management Plan

*i. Is the MTW PHA allocating costs within statute?*

No.

*ii. Is the MTW PHA implementing a local asset management plan (LAMP)?*

Yes.

*iii. Has the MTW PHA provided a LAMP in the appendix?*

Yes. Please see Appendix E.

*iv. If the MTW PHA has provided a LAMP in the appendix, please describe any proposed changes to the LAMP in the Plan Year or state that the MTW PHA does not plan to make any changes in the Plan Year.*

No changes to the LAMP are anticipated during the Plan Year.

## C. Rental Assistance Demonstration (RAD) Participation

### *i. Description of RAD Participation*

#### RENTAL ASSISTANCE DEMONSTRATION (RAD) PARTICIPATION

HACSB has received HUD approval to convert our entire Public Housing portfolio under the RAD program, and is currently in the process of doing so. We anticipate that all units will be converted through the project-based voucher (PBV) program by FYE 2020.

### *ii. Has the MTW PHA submitted a RAD Significant Amendment in the appendix? A RAD Significant Amendment should only be included if it is a new or amended version that requires HUD approval.*

No. RAD Significant Amendments were previously included with prior year MTW Plans.

### *iii. If the MTW PHA has provided a RAD Significant Amendment in the appendix, please state whether it is the first RAD Significant Amendment submitted or describe any proposed changes from the prior RAD Significant Amendment.*

HACSB is not submitting a RAD Significant Amendment through this MTW Plan.



## Section VI: Administrative

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- A. **Board Resolution and Certifications of Compliance** –The resolution of the Housing Commission adopting this Annual MTW Plan along with the Certificate of Compliance prescribed by HUD in Exhibit B of the MTW agreement are included in Appendix A to this Plan.
- B. **Documentation of Public Process** – A detailed timeline and related documentation of the public process for this MTW Plan are included in Appendix B to this Plan.
- C. **Planned and Ongoing Evaluations** – In FY 2020, HACSB plans to continue working with Loma Linda University (LLU) for third-party evaluation of certain MTW activities. Please refer to Appendix C for more information.
- D. **Lobbying Disclosures** – copies of the Disclosure of Lobbying Activities (SF-LLL) and the related Certification of Payments (HUD-50071) are included in Appendix D to this Plan.

# Appendix A: Board Resolution

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The following documents are or will be attached in this appendix:

1. The Resolution of the San Bernardino County Housing Commission approving this FY 2020 Annual Moving to Work Plan Amendment 1.

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## Appendix B: Public Process

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The following steps have been or will be taken by HACSB to ensure a thorough public process in the development and adoption of this FY 2020 Annual MTW Plan Amendment 2.

Date	Action
March 18, 2020	30-day public comment period opens.
April 2020	Public hearing notices published in local newspapers. Public hearing dates TBA.
April 17, 2020	Public comment period closes.
March 10, 2020	Plan to be presented to HACSB Board of Commissioners. Resolution to be included in Appendix A.

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# Appendix C: Planned and Ongoing Evaluations

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HACSB has contracted with Loma Linda University (LLU) for third-party evaluation of several MTW initiatives. A brief summary of those evaluations is included in this section.

1. **Term-Limited Lease Assistance Program (Activity 20):** LLU is performing a longitudinal study of this activity. The study follows participating families through their progress from initial lease-up through their end of term, tracking their goals and accomplishments. In FY 2017, HACSB implemented an additional tracking component to monitor the self-sufficiency related progress of families for up to two years after commencement of housing assistance through a voluntary survey process. The evaluation will continue in FY 2020, and information gained through the study will continue to be used to adapt and develop the activity.
2. **No Child Left Unsheltered (Activity 23):** Since 2015 LLU has also conducted a longitudinal study of his activity to identify its effects on participating families. The evaluation focuses on family safety and stability, physical and mental health of adults and children, school attendance of children, employment, income, education advancement, self-sufficiency activities, financial choices, use of resources, and other effects on children. The reports and recommendations provided by LLU as a result of the evaluation have informed HACSB's policy decisions regarding the NCLU activity, especially the enhancements and modifications made through HACSB's FY 2019 MTW Annual Plan. The reports indicated that the activity has had strong positive effects on the mental health and well-being of children participating in the program. The evaluation will continue in FY 2020.
3. **Other Activities:** HACSB has also contracted with LLU for future evaluations of HACSB's MTW activities, permanent supportive housing developments such as Golden Apartments and Desert Haven Apartments, and other future programs and services. In FY 2019, a needs assessment was conducted for residents of HACSB's Maplewood Homes RAD housing site to help guide the placement of resources for families. Future evaluations will be developed and conducted as requested by HACSB. The evaluations will assess the impact on program participants and determine if program and service delivery methods should be modified. More information about these evaluations will be included as they are developed.

# Appendix D: Lobbying Disclosures

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Signed copies of the following forms are included in this appendix:

1. Disclosure of Lobbying Activities (SF-LLL)
2. Certification of Payments (HUD-50071)

# DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB  
0348-0046

(See reverse for public burden disclosure.)

<b>1. Type of Federal Action:</b> <input checked="" type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance		<b>2. Status of Federal Action:</b> <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award		<b>3. Report Type:</b> <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change <b>For Material Change Only:</b> year _____ quarter _____ date of last report _____	
<b>4. Name and Address of Reporting Entity:</b> <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known:			<b>5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:</b>		
Congressional District, if known: 8,27,31,35,39			Congressional District, if known:		
<b>6. Federal Department/Agency:</b> U.S. Department of Housing and Urban Development			<b>7. Federal Program Name/Description:</b> Moving to Work CFDA Number, if applicable: _____		
<b>8. Federal Action Number, if known:</b>			<b>9. Award Amount, if known:</b> \$		
<b>10. a. Name and Address of Lobbying Registrant</b> (if individual, last name, first name, MI): Potomac Partners DC 700 Pennsylvania Ave SE, Suite 320 Washington, DC 20003			<b>b. Individuals Performing Services</b> (including address if different from No. 10a) (last name, first name, MI): Alcalde, Rick; Feliz, Dan		
<b>11.</b> Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.			Signature: <u>Maria Razo</u> Print Name: <u>Maria Razo</u> Title: <u>Executive Director</u> Telephone No.: <u>(909) 332-6305</u> Date: <u>06/10/2019</u>		
<b>Federal Use Only:</b>				Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)	

# Certification of Payments to Influence Federal Transactions

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (Exp. 03/31/2020)

Applicant Name

Housing Authority of the County of San Bernardino

Program/Activity Receiving Federal Grant Funding

Moving to Work Program

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.  
**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

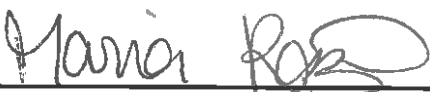
Name of Authorized Official

Maria Razo

Title

Executive Director

Signature



Date (mm/dd/yyyy)

06/10/2019

**Housing Authority of the County of San Bernardino  
Capital Fund Program- Five Year Plan & Budget (2016-2020)**

<b>AMP 202</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Waterman Gardens	San Bernardino	252	762,000	2016	Redevelopment Activity (phase 1)
Waterman Gardens	San Bernardino	252	500,000	2017	Redevelopment Activity
Waterman Gardens	San Bernardino	252	500,000	2018	Redevelopment Activity
Waterman Gardens	San Bernardino	252	500,000	2019	Redevelopment Activity
Waterman Gardens	San Bernardino	252	500,000	2020	Redevelopment Activity

\* note: balance of units in AMP 202 have completed RAD conversion as of 4/2016

**Total- AMP 202** 2,762,000

<b>AMP 203</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>

\* note: balance of units in AMP 203 have completed RAD conversion as of 4/2016

**Total- AMP 203** -

<b>AMP 205</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Cal 19-32 - E. 9th St.	Redlands	12	60,000	2016	Misc. dwelling Improvements
Redlands - Lugonia Site	Redlands	115	200,000	2016	Redevelopment Activities (demolition)
Redlands - Lugonia Site	Redlands	115	500,000	2017	Redevelopment Activities
Redlands - Lugonia Site	Redlands	115	500,000	2018	Redevelopment Activities
Redlands - Lugonia Site	Redlands	115	500,000	2019	Redevelopment Activities
Redlands - Lugonia Site	Redlands	115	500,000	2020	Redevelopment Activities

\* note: balance of units in AMP 205 have completed RAD conversion as of 4/2016

**Total- AMP 205** 2,260,000

**Housing Authority of the County of San Bernardino  
Capital Fund Program- Five Year Plan & Budget (2016-2020)**

<b>AMP 206</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Cal 19-10 - Colton	Colton	40	15,000	2016	Site Improvements
Cal 19-04 - Colton	Colton	85	85,000	2016	Site Improvements

\* note: balance of units in AMP 206 have completed RAD conversion as of 4/2016

**Total- AMP 206** 100,000

<b>AMP 207</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Cal 19-07, 12 - Barstow	Barstow	114	128,339	2016	Misc. Dwelling Improvements
Cal 19-13, 34 - Barstow	Barstow	104	149,705	2017	Misc. Dwelling Improvements
Cal 19-07, 12 - Barstow	Barstow	114	100,634	2017	Misc. Dwelling Improvements
Cal 19-13, 34 - Barstow	Barstow	104	107,505	2018	Misc. Dwelling Improvements
Cal 19-07, 12 - Barstow	Barstow	114	142,834	2018	Misc. Dwelling Improvements
Cal 19-07, 12 - Barstow	Barstow	114	125,834	2019	Site Improvements
Cal 19-13, 34 - Barstow	Barstow	104	124,505	2019	Site Improvements
Cal 19-07, 12 - Barstow	Barstow	114	112,839	2020	Misc. Dwelling Improvements
Cal 19-13, 34 - Barstow	Barstow	104	137,500	2020	Misc. Dwelling Improvements

**Total- AMP 207** 1,129,695

<b>AMP 208</b>					
<b>Development</b>	<b>City</b>	<b>Units</b>	<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Cal 19-32, 19-42	High Desert	6	-		Section 32 homes being sold

**Housing Authority of the County of San Bernardino  
Capital Fund Program- Five Year Plan & Budget (2016-2020)**

**Total- AMP 208**

-

<b>AGENCY WIDE</b>					
<b>Development Account</b>			<b>Budget</b>	<b>Plan Year</b>	<b>Activities</b>
Operations			0	2016-2020	Operations
Development Activities			584,100	2016-2020	Replacement Housing Factor
Management Improvements			370,000	2016-2020	Self Sufficiency Programs
Administration			306,049	2016-2020	10% limit
Fees & Costs			400,000	2016-2020	A&E/Consultants, Inspection Costs
Audit			0	2016-2020	Audit Program
Non-Dwelling Equipment			0	2016-2020	Misc equipment
Relocation Costs			150,000	2016-2020	Misc Relocation Costs
Debt Service Pledge			0	2016-2020	CFFP repaid w/ 501-11
Subtotal Annual Agency Wide Activities			1,810,149		
<b>Total - Agency Wide</b>	<b>X5 years</b>		<b>9,050,745</b>		
<b>Grand Total- All AMP's</b>			<b>15,302,440</b>		
Annual Allocation (including RHF)			3,060,488		

Annual Statement/Performance and Evaluation Report  
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 06/30/2017

<b>Part I: Summary</b>					
PHA Name: Housing Authority of the County of San Bernardino		<b>Grant Type and Number</b> Capital Fund Program Grant No: CA16P019501-18 Replacement Housing Factor Grant No: CA16P019501-18 Date of CFFP:			<b>FFY of Grant: 2018</b> <b>FFY of Grant Approval: 2018</b>
<b>Type of Grant</b> <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Performance and Evaluation Report for Period Ending:					
<input checked="" type="checkbox"/> Revised Annual Statement (revision no: 1) <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) <sup>3</sup>				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration	2,919,878	2,704,202		
16	1495.1 Relocation Costs				
17	1499 Development Activities <sup>4</sup>				

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.


<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> RHF funds shall be included here.



Annual Statement/Performance and Evaluation Report  
Capital Fund Program, Capital Fund Program Replacement Housing Factor and  
Capital Fund Financing Program

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 06/30/2017

<b>Part I: Summary</b>					
<b>PHA Name:</b> Housing Authority of the County of San Bernardino		<b>Grant Type and Number</b> Capital Fund Program Grant No: CA16P019501-18 Replacement Housing Factor Grant No: CA16P019501-18 Date of CFFP:		<b>FFY of Grant:</b> 2018 <b>FFY of Grant Approval:</b> 2018	
<b>Type of Grant</b> <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Revised Annual Statement (revision no: 1 ) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost <sup>1</sup>	
		Original	Revised <sup>2</sup>	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	<del>1502 Contingency (may not exceed 8% of line 20)</del> 1503 RAD HAP	0	248,992		
20	Amount of Annual Grant:: (sum of lines 2 - 19)	2,919,878	2,953,194	2,953,194	0
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
<b>Signature of Executive Director</b> 		<b>Date</b> 10/04/18	<b>Signature of Public Housing Director</b>  		
			<b>Date</b>		

<sup>1</sup> To be completed for the Performance and Evaluation Report.

<sup>2</sup> To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

<sup>3</sup> PHAs with under 250 units in management may use 100% of CFP Grants for operations.

<sup>4</sup> RHF funds shall be included here.

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
**Expires 06/30/2017**

[illegible]

<sup>2</sup> To be completed for the Performance and Evaluation Report.

# Appendix G: Local Asset Management Plan (LAMP)

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The First Amendment to the Standard MTW agreement executed on May 21, 2009 allowed HACSB to design and implement a local asset management program. The program should include a description of how it is implementing property based management, budgeting, accounting and financial management and any deviations from HUD's asset management requirements. In our FY 2010 MTW Annual Plan, we first described our asset management program and amended it through our FY 2010 MTW Plan – Amendment 3 approved on September 15, 2010. Prior to our designation as an MTW agency, HACSB developed a comprehensive 30 year strategic plan in 2008 that serves as a guiding map in achieving our mission, vision and goals. Some of the goals of our plan include helping our participants achieve self-sufficiency, providing timely housing assistance to needy families, increasing housing options and strengthening our agency, our residents and our community. As good stewards of taxpayer's dollars, we pride ourselves in achieving administrative efficiency while providing the best quality service to the families that we serve. Upon closer examination, we feel that the indirect cost rate methodology will best serve our mission, versus our current fee-for-service methodology. In accordance with the federal Office of Management and Budget (OMB) Circular A-87, we elect to establish a cost allocation methodology to allocate direct and indirect costs and establish an indirect cost rate. The cost allocation plan along with the indirect cost rate is described in detail below and we agree to justify the indirect cost rate established.

HACSB did a detailed examination of our current agency structure including our Central Office Cost Center (COCC) structure and confirmed how intertwined our Central Office was to the agency as a whole. The work done by various departments has resulted in agency wide solutions and it is our combined efforts that will help us achieve our goals. This strengthens the need for an indirect cost rate methodology that allows the flexibility to combine resources and achieve inter-department solutions that are represented as a simple unified solution for the families that we serve and our agency. We wish to keep the funding and administrative processes indistinguishable in the eyes of our customers and hope that our collective efforts at various levels provide the best services, the best support, and the best housing choices for our families. This has led to a centralized effort in many services like information technology, community affairs, administrative services, waiting list and development. Details on some of our departments are provided below.

**Information Services (I.S.)** – Our centralized I.S. department is responsible for the network and server administration, database and software administration, telecommunications and software and report developments for the entire agency. This is done with a dedicated team of four individuals that support 154 agency computers in 10 locations throughout our county. They respond to an

average of 50 help desk tickets a week that result in around 20 site visits per week. In addition, in February 2010, we were awarded the competitive BTOP grant to provide high speed technology access to underserved communities. Post grant ending, HACSB has continued to fund these centers, which currently consist of four (4) computer centers that are served by three (3) computer technicians and host 24 personal computers and 16 Apple Mac's. Our IS team provides the necessary technical support and manages the computer centers. Our agency partnered with the Career Institute to provide free career, education and job counseling services at these centers.

**Community Affairs** – Our centralized community affairs department assists in making and strengthening partnerships throughout the County to leverage services and programs to assist our residents in achieving self-sufficiency. These partners include schools, non-profit community organizations, health and human service providers, financial institutions, elected officials, and so forth. Through these efforts, our housing sites are able to sustain services such as child care, financial literacy courses, health services, parenting courses, to name a few examples.

In an effort to outreach to services of greatest need among our residents, in 2010, we partnered with Loma Linda University (LLU) to conduct a detailed needs assessment for one of our Public Housing communities- Maplewood Homes Community (formerly known as Medical Center, 296 units) to determine the appropriate partners that could serve our residents based on resident input and professional analysis. As a result of that assessment, LLU staff and students assisted with follow-up by providing on-site case work management and varying topic workshops. The partnership with LLU has further expanded to include evaluations and assessments of other HACSB MTW initiatives, including Term-Limited Lease Assistance and No Child Left Unsheltered.

Specifically, in an effort to improve the quality of life for residents, HACSB acknowledged the serious health issues caused by second hand smoke and partnered with the County Department of Public Health to search for viable solutions. Though our vast efforts of educating our residents on the harmful effects of smoking, and surveying them for their feedback, we have transitioned several of our affordable housing sites to 100% smoke free developments. This was an effort achieved through the strength of our partnership and the educational health resources provided to our residents.

**Administrative Services** – The Administrative Services department assists other offices by providing oversight on matters pertaining to the agency's compliance with state and federal requirements. As an example, this department works to ensure compliance with annual filings of Statement of Economic Interests, the Brown Act, Public Records Requests, Fair Housing and Americans with Disabilities Act (ADA). An agency-wide Needs Assessment is currently being conducted to ensure compliance with current ADA requirements,

which will include input from outside agencies and a plan to address any deficiencies. This department also handles our legal issues and is our liaison between the agency and the legal team.

**Development** – Our centralized Office of Real Estate Development team is responsible for all Real Estate acquisition, rehabilitation, redevelopment and new construction projects. Our dedicated project managers often eliminate the costs associated with outside development and/or construction management consultants. The staff is continuously available to all AMPS as a technical, as well as planning and implementation resource for non-routine maintenance and emergency rehabilitation projects. The Department manages the completion of all Physical Needs Assessments and due diligence reports for the entire portfolio of HACSB residential developments. This department also oversees all of the Capital Fund improvement and rehabilitation projects within the public housing portfolio and administers all grant funding and debt financing that can be associated. Lately, the development team has been actively involved in implementing energy efficiency projects and in 2010 was awarded a \$1.84 million grant at our Maplewood Homes Community (leverage funds for the CFRC grant). This project is currently under construction. Finally, Development administers a very successful homeownership program that has helped 135 families overcome their barriers and achieve the American dream of owning a home. It is a program utilizing a variety of methods to achieve goals for our clients, including Section 32 (converted public housing), Section 8 Homeownership, and a Community Land Trust.

**Procurement** - Our centralized procurement department is responsible for agency wide contracts enable higher cost savings and fiscal prudence. Centralized duties include the oversight of the contract needs of the sites, management of the bid process, vendor communication, and contract compliance. The sites are responsible for scheduling work, approving invoices, working with the centralized procurement staff to define scopes of work, and ensuring the work is done properly.

#### **Local Asset Management Implementation**

**Leadership** - Our local asset management program will be led by a leadership team consisting of representatives from the following departments: housing programs, development, finance, administrative services, human resources, information technology, procurement and community affairs and policy. They will meet on a biweekly basis to review the combined efforts and ensure the agency is striving to achieve its long-term objectives. This team is also responsible for our Strategic Plan and charts the path annually while ensuring significant milestones are met.

**Project-based Management** - We expect that all of our programs, regardless of funding source, to be accountable for project-based management, budgeting, and financial reporting. We apply the same expectation of aligning responsibility and accountability to those services that are managed centrally.

HACSB has been operating under project-based budgeting and accounting practices since 2006. We have developed systems and reports to facilitate the onsite management and analysis of budgets, expenses, rent collection and receivables, and purchasing. In accordance with HUD Asset Management guidance, HACSB decentralized its maintenance program in 2008 and each AMP was assigned maintenance personnel, depending on the size and maintenance requirements of the properties in the AMP. HACSB has a decentralized purchasing model for the acquisition of goods. Sites staff use a simple purchasing system that enables them to be able to purchase goods directly from their pool of vendors while still enabling management staff to track spending habits. While the acquisition of goods is decentralized, the agency has adopted a hybrid approach to the acquisition of its services. Centralized duties include the oversight of the contract needs of the sites, management of the bid process, vendor communication, and contract compliance. The sites are responsible for scheduling work, approving invoices, working with the centralized procurement staff to define scopes of work, and ensuring the work is done properly.

**Cost Allocation Approach** - Under OMB Circular A-87, there is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost be treated consistently in like circumstances, either as a direct or an indirect cost. Consistent with OMB Circular A-87 cost principles, HACSB has identified all of its direct costs and segregated all its costs into pools, as either a direct or an indirect cost pool.

**Direct Costs** - OMB Circular A-87 defines direct costs as follows: Direct costs are those that can be identified specifically with a particular final cost objective. HACSB's direct costs include, but are not limited to:

- Contract costs readily identifiable with delivering housing assistance to low-income families.
- Housing Assistance Payments, including utility allowances, for vouchers
- Utilities
- Insurance
- Property-based audits
- Staff training
- Interest expense

- Information technology fees
- Portability administrative fees
- Rental Assistance department costs for administering Housing Choice Vouchers including inspection activities
- Operating costs directly attributable to operating HACSB-owned properties
- Fleet management fees
- Maintenance services for unit or property repairs or maintenance
- Maintenance services include, but are not limited to, landscaping, pest control, decorating and unit turnover
- Community Services department costs directly attributable to tenants services
- Gap financing real estate transactions
- Acquisition costs
- Demolition, relocation and leasing incentive fees in repositioning HACSB-owned real estate
- Homeownership activities for low-income families
- Leasing incentive fees
- Certain legal expenses
- Professional services at or on behalf of properties or a portfolio, including security services
- Extraordinary site work
- Any other activities that can be readily identifiable with delivering housing assistance to low-income families
- Any cost identified for which a grant award is made. Such costs will be determined as HACSB receives grants

**Indirect Costs** - OMB Circular A-87 defines indirect costs as those (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. HACSB's indirect costs include, but are not limited to:

- Executive
- Communications
- Certain legal expenses
- Development
- Finance
- Purchasing
- Human Resources

- Housing Finance and Asset Management
- Administration staff and related expenses of the Housing Operations and Rental Assistance Departments that cannot be identified to a specific cost objective.

**Indirect Services Fees** - HACSB has established Indirect Services Fees based on anticipated indirect costs for the fiscal year. Any indirect costs incurred by HACSB in support of its projects and programs will be incurred by the Central Office Cost Center (COCC) and charged out to the programs in the form of a fee. The four fees are:

- Asset Management Fees
- Management Fees
- Bookkeeping Fees

**Asset Management Fees** – This fee was described in Plan Year 2010 and was modified through our third amendment to the FY 2010 MTW Annual Plan. The Asset Management Fee uses our fungibility to transfer funds among AMPS and allows us to charge an asset management fee, regardless of whether a project has excess cash. The COCC will continue to charge the Asset Management to the AMPS at the HUD's determined rate of \$10 per ACC unit

**Management Fees** – The COCC will continue to charge the Management Fee at the HUD's determined rate of \$70.64 per units leased to the AMPS and 20% of Administrative Fees for Housing Choice Voucher program.

**Bookkeeping Fees** - The COCC will continue to charge the Bookkeeping Fee at the HUD's determined rate of \$7.50 per unit leased to the AMPS and the Housing Choice Voucher program.

Per the requirements of OMB Circular A-87, the indirect services fees are determined in a reasonable and consistent manner based on total units and/or leased vouchers. The fees are calculated as a per-housing-unit or per-leased-voucher per month charged to each program. HACSB will annually review all of its indirect service fees charges in relation to actual indirect costs and will incorporate appropriate adjustments in indirect service fees for the subsequent year, based on this analysis.

**Differences between HUD Asset Management and HACSB LAMP** - Under the First Amendment, HACSB is allowed to define costs differently than the standard definitions published in HUD's Financial Management Guidebook pertaining to the implementation of



24 CFR 990. HACSB is required to describe in this MTW Annual Plan differences between our Local Asset Management Program and HUD's asset management program. Below are the three key differences:

- HACSB determined to implement an indirect service fee that is much more comprehensive than HUD's asset management system. HUD's asset management system and fee for service is limited in focusing only on a fee for service at the Low Income Public Housing (LIPH) property level. HACSB's LAMP is much broader and includes local housing and other activities not found in traditional HUD programs. HACSB's LAMP addresses the entire HACSB operation.
- HUD's rules are restrictive regarding cash flow between projects, programs, and business activities. HACSB intends to use its MTW resources and regulatory flexibility to move its MTW funds and project cash flow among projects without limitation and to ensure that our operations best serve our mission, our LAMP cost objectives, and ultimately the low-income people we serve.
- HACSB charges an Asset Management Fee to all AMPS regardless of excess cash by each AMP by the use of our fungibility.

**FDS Reporting** – HACSB will continue to report on the HUD's established deadlines following the same format as previous years using the Asset Management with COCC/ elimination.

# Appendix H: Non-MTW Related Information

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## Special Purpose Programs

In addition to the MTW Voucher Program, HACSB administers other voucher programs and special programs, such as Mainstream, Housing Opportunities for Persons with AIDS (HOPWA), Veteran's Affairs Supportive Housing (VASH), and Continuum of Care.

**Mainstream** – This program is designed to provide rental assistance to persons with disabilities to enable them to lease affordable private housing of their choice. At the end of FY 2018, we were providing assistance to 86 families through this program.

**Housing Opportunities for Persons with AIDS (HOPWA)** - HACSB has partnered with Foothill Aids Project to offer rental assistance and supportive services to persons diagnosed with HIV/AIDS. The Foothill AIDS Project assesses the applicant's duration of participation in their case management program and facilitates location of suitable housing to meet their clients' needs. At the end of FY 2018, we were providing assistance to 41 families through this program.

**Veteran's Affairs Supportive Housing (VASH)** - HACSB and Veterans Administration Medical Center have partnered to provide rental vouchers and supportive services to eligible homeless veterans with severe psychiatric or substance abuse disorders. The program goals include promoting maximal Veteran recovery and independence to sustain permanent housing in the community for the Veteran and the Veteran's family. At the end of FY 2018, we were providing assistance to 367 families through this program.

**Master Leasing Program** – This program is funded by State of California Mental Health Services Act funds and serves mentally ill or developmentally disabled families with emergency shelter housing. Case management and comprehensive support services are provided for residents participating in this program. At the end of FY 2018, we were providing assistance to 15 families through this program.

**Continuum of Care Programs** - The Continuum of Care Program provides rental assistance for hard-to-serve chronically homeless persons with disabilities in connection with supportive services funded from sources outside the program. HACSB currently administers the following Continuum of Care vouchers:

- **Stepping Stones** - This program provides rental assistance for chronically homeless individuals and families in connection with supportive services funded through the Department of Behavioral Health (DBH). Under this program, HACSB provides the housing services based on eligible referrals from the Coordinated Entry System (CES) and DBH, matches the housing funds by providing supportive services. At the end of FY 2018, we were providing assistance to 32 families through this program.
- **New Horizons** – This program provides rental assistance for hard to serve persons with disabilities in connection with supportive services funded through the Department of Behavioral Health (DBH). This is an ongoing program, and all turnover vouchers focus on providing

housing to chronically homeless households. Under this program, HACSB provides the housing services based on eligible referrals from the CES and DBH, matches the housing funds by providing supportive services. At the end of FY 2018, we were providing assistance to 170 families through this program.

- **Laurelbrook Estates** – This program assists individuals or families experiencing disabling conditions and homelessness and is a Project Based S+C voucher subsidy tied to designated scattered sites throughout the County of San Bernardino. The supportive services are offered through the Department of Behavioral Health. At the end of FY 2018, we were providing assistance to 25 families through this program.
- **Project Gateway** – HACSB formed a partnership with Ontario Housing Authority, Mercy House Living Centers Inc. and Department of Behavioral Health (DBH) to provide permanent housing in conjunction with long term supportive services including mental health care, employment, self-sufficiency etc. to our homeless community. At the end of FY 2018, we were providing assistance to 10 families through this program.
- **Cornerstone** - This program implemented in 2012, and provides rental assistance for hard to serve homeless individuals and families with disabilities in connection with supportive services funded through the Department of Behavioral Health (DBH). HACSB provides the housing services based on eligible referrals from the CES and DBH, matches housing funds by providing supportive services. At end of FY 2018, we were providing assistance to 35 families through this program.
- **Whispering Pines** - This program implemented in 2012, and provides rental assistance for hard to serve homeless individuals and families with disabilities in connection with supportive services funded through the Department of Behavioral Health (DBH). HACSB provides the housing services based on eligible referrals from the CES and DBH, matches housing funds by providing supportive services. At the end of FY 2018, we were providing assistance to 18 families through this program.
- **Lantern Woods** - This program implemented in 2012 and is a Project Based S+C voucher subsidy tied to designated sites in the County of San Bernardino. The supportive services are offered through the Department of Behavioral Health for homeless individuals and families. At the end of FY 2017, we were providing assistance to 15 families through this program.

## HACSB College Scholarship Program

For 24 years, the Housing Authority has been proud to assist eligible participants in achieving their higher educational goals through scholarships. To date, HACSB has awarded 290 students with \$2015,500 in scholarships. Current participants/residents in Housing Choice Voucher programs, Public Housing programs, or other HACSB affordable housing communities are eligible to apply. Students need to be accepted by or currently attending a four-year college/university, community college, or technical/vocational school. Students attending a four-year college or university receive a \$1,500 scholarship while community and technical/vocational students receive a \$750 scholarship. The Housing Authority uses non-public funds to promote educational success among their participants.

In 2018 and early 2019, five students were awarded scholarships to assist them with their college expenses. The following recipients are attending one of the following colleges/universities: Brandman University, Ashford University, Pasadena City College, Azusa Pacific University, and Prairie View A&M. Their areas of study include majors such as: Chemistry, Psychology, Animation, and Special Education. HACSB also received a \$1,500 donation for the scholarship fund from Mr. Bob Doshi and his family, longtime landlords of our voucher program. This is the second year that the Doshi family has donated to this cause. Mr. Doshi believes in helping our families succeed: “We care about the families we serve through the Housing Authority and education is a key component to success.” He hopes his contribution will also inspire other landlords of the program to donate to this important cause.

## Knowledge & Education for Your Success (KEYS)

KEYS is a 501(c)(3) nonprofit corporation created in 2009 by HACSB to consolidate HACSB’s array of supportive services, centralize strategic community partnership development, and to provide additional support and services for economically disadvantaged families and children. The development of KEYS created a unique opportunity to utilize non-traditional, non-PHA funding sources to bring additional resources not only to the clients that HACSB serves, but to be able to spread resources to those in need, not directly served by HACSB, subsequently assisting HACSB in achieving our mission of empowering all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

The mission of KEYS is to empower low-income individuals and families in San Bernardino County and to unlock their potential for success. KEYS is committed to a community where individuals and families can lead meaningful and empowered lives and pass that legacy to future generations.

Over the past fiscal year, KEYS has focused on some of the county’s families in greatest need. In January 2015, in partnership with HACSB and the San Bernardino County Transitional Assistance Department (TAD), KEYS launched the Housing Support Program (HSP), a Rapid Rehousing program based on national best practices to rapidly transition eligible homeless families with children back into permanent housing. The Housing Support program was followed by the launch of two additional Rapid Rehousing programs called Keys for Success (KFS) and Keys for Life (KFL) through U.S. Department of Housing and Urban Development’s Continuum of Care aimed at serving homeless individuals and families that need housing and intensive case management up to 24 months. KEYS has utilized its experience with the SSVF program and housing navigation to rapidly identify and secure permanent housing for families. As part of the ongoing support of the families (up to 6 months) and to ensure stabilization KEYS utilizes its Family Strengthening casework model to ensure resources and tools are in place for the family to maintain their housing over time and increase economic independence.

To date, the KEYS HSP has assisted 1,795 homeless families, including 4,899 children, with services such as case management, family stabilization, and connecting the family to support services such as skill building, home readiness, and career development. 1,240 families were housed, including 3,028 children. KEYS KFL and KFS programs have served more than 90 homeless individuals and their families, and to date the SSVF program has served more than 500 veterans.

KEYS continues to focus on a “collective impact” strategy which aligns with a county wide approach.

Together, KEYS, HACSB, and our many community partners are working diligently to change the trajectory for families living in poverty and provide a safe and unique environment to help them thrive and become self-sufficient.

## Other Affordable Rental Housing

HACSB owns 1,199 Non-HUD residential units along with 4 commercial units (Frankish Building). Many of those units are affordable as a result of public funds, such as HOME and Redevelopment Housing Set-Aside funds. For more information please refer to the Authority Owned Housing Stock under the Housing Stock Information in Section II: General Housing Authority Operating Information of this report.

**Affiliate Non-Profit** – Housing Partners I, Inc. (HPI, Inc.) was created in 1991 to develop, own, and manage affordable housing as an affiliate non-profit of HACSB. HPI, Inc.’s designation as a Community Housing Development Organization (CHDO) allows it to apply for and receive HOME funds from the County of San Bernardino, Department of Community Development and Housing and other cities for the acquisition, development and rehabilitation of housing units. With over 20 years of housing development experience behind it, HPI, Inc. provides HACSB the means with which to leverage a variety of public as well as private funding sources to continue to increase the supply of affordable housing throughout the county of San Bernardino.

In 2017 HPI completed the Horizons at Yucaipa development, a new construction affordable senior project that provides 50 units of affordable senior housing. HPI also acquired a 25-unit development in the City of Loma Linda for homeless and affordable Veteran Housing, providing much need supportive services to Veterans living on site. In 2018 HPI completed Loma Linda Veteran Village, a project in partnership with Meta Housing that provides 87 affordable housing units for veterans and their families.

HPI Property Acquisitions LLC is an HPI, Inc. controlled entity that owns 241 units throughout the County of San Bernardino. HPI Inc. and its affiliates own a total of 704 units, detailed in the following table.

AFFILIATE NON-PROFIT			
PROPERTY NAME		CITY	ENTITY
Acacia Property	Fontana	28	HPI Property Acquisition LLC
Desert Village	Victorville	46	HPI Property Acquisition LLC
Chehalis Property	Apple Valley	30	HPI Property Acquisition LLC

AFFILIATE NON-PROFIT			
PROPERTY NAME	CITY	UNITS	ENTITY
Kendall Drive Apts.	San Bernardino	37	HPI Property Acquisition LLC
Kendall Park Apts.	San Bernardino	52	HPI Property Acquisition LLC
Robert O. Townsend	Montclair	48	HPI Property Acquisition LLC
Phoenix Apartments	San Bernardino	7	HPI Wall Avenue LLC
Horizons at Yucaipa	Yucaipa	50	HPI, Inc. Portfolio
Vista del Sol	Redlands	71	HPI, Inc. Portfolio
Scattered Sites – Region 1	Loma Linda, Redlands, Yucaipa, Bloomington, Colton, Fontana, Rancho Cucamonga	97	HPI, Inc. Portfolio
Scattered Sites – Region 2	Ontario, Montclair, Chino	107	HPI, Inc. Portfolio
Scattered Sites – Region 3	Adelanto, Apple Valley, Hesperia, Victorville, Joshua Tree, 29 Palms, Yucca Valley	131	HPI, Inc. Portfolio
TOTAL UNITS		704	

# Appendix I: Fact Sheets

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At HACSB, communication and education of team, participants, residents, landlords and community is critical to the success of our innovative programs. We have attached some of our sample Fact Sheets which are handy reference guides about our MTW programs and services. These fact sheets are posted online at **[www.hacsb.com](http://www.hacsb.com)** and are also available at our offices.





# Housing Authority of the County of San Bernardino

## WHO WE ARE FACT SHEET

The Housing Authority of the County of San Bernardino (HACSB) is one of the most progressive housing authorities in the Country and also the largest provider of affordable housing in San Bernardino County. HACSB proudly owns and/or manages programs with 13,225 housing units and vouchers combined to serve approximately 30,000 people, most of whom are seniors, individuals with disabilities, veterans, and children.

Unlike other health and human services programs, we provide housing assistance based on the number of vouchers and public housing units for which we are authorized and funded through the U.S. Department of Housing and Urban Development (HUD) – unfortunately we do not have the resources to provide immediate housing assistance. As families move off our various affordable housing programs, new families are pulled and housed off the waiting list. As a result, it takes years for low-income families to receive housing assistance.

A common misconception about affordable housing programs is that low-income households do not work and/or work minimal hours and rely on government assistance. However, the reality is most do work, but their earnings, despite educational and/or professional training levels, do not pay enough. The table below outlines income and occupational levels at various income levels:

INCOME	OCCUPATION   PER HOUR/ANNUAL INCOME		
EXTREMELY LOW	Fast-Food Cook (\$9.54/\$21,017)	Hairdresser (\$11.21)	Home Care Aides (\$11.60/\$29,440)
VERY LOW	Preschool Teacher (\$14.05/\$32,028)	Paramedics (\$15.39/\$36,157)	Mail Clerks (\$14.10/\$29,800)
LOW	LVN (\$22.66/\$47,377)	Truck Driver (\$22.75/\$49,093)	Construction Laborers (\$17.10/\$40,564)
MODERATE	Fire Fighter (\$25.84/\$58,625)	Teachers (NA/\$67,728)	Fashion Designers (\$21.11/\$49,254)
MIDDLE	RN (\$45.90/\$96,164)	Police (\$44.17/\$89,788)	Airline Pilots (\$27.84/\$76,721)
HIGH	Physician (\$58.61/\$157,368)	Attorney (\$63.67/\$133,548)	High-Level Management (\$86.15/\$188,992)

HUD defines affordability as paying no more than 30% of monthly household income towards rent. In San Bernardino County, the median asking rent is \$1,566. For the professions outlined above, that amount can mean a rent burden as high as 81%. (Citation: *California Housing Partnership, SBC Renters in Crisis, May 2017*)

### HOUSING TYPES

HACSB is committed to providing both traditional affordable housing assistance as well as mixed-income housing developments that complements existing communities.

The following are three main programs HACSB manages and/or administers:

#### **Tenant-Based Voucher Rental Assistance Program Units: 10,653**

These units are privately owned, with rent subsidies paid directly to owners by the Housing Authority. These programs are managed by HACSB offices in Ontario, San Bernardino, Upland, and Victorville. (This program is commonly known as Section 8.)

#### **Public Housing Units: 562**

These units are owned and managed by the Housing Authority through its offices in Barstow, Colton, San Bernardino, and Upland.

#### **Housing Authority-Owned Units: 2,478**

These units are owned by the Housing Authority and were either acquired or developed through a variety of partnerships with the state of California, San Bernardino County Department of Community Development and Housing, various cities throughout the county, and Housing Partners I Inc., a nonprofit public housing corporation.

### MOVING TO WORK

As a high-performing and innovative agency, in 2008, HACSB received the Moving to Work (MTW) designation by Congress and the U.S. Department of Housing and Urban Development (HUD). The designation provides HACSB with the flexibility to waive some HUD program requirements and develop local policies that are best suited for the various communities in San Bernardino County. Currently there are 39 designated MTW agencies out of 3,200 housing authorities nationwide.

As a result, HACSB has transformed its agency by executing innovative initiatives based on the three key MTW objectives: saving taxpayer dollars through efficient work; helping families achieve economic independence; and ensuring a family's freedom of housing choice. The table below highlights the initiatives HACSB has implemented; efforts that traditional Housing Authorities may not be able to accomplish.

### ADMINISTRATIVE EFFICIENCIES

Single Fund Budget	Local Asset Management
Strategic Investment Policies	Operating Subsidy for Vista del Sol
Alternate Assessment Program	Property Management Innovation
Biennial Recertifications	Utility Allowance Reform
Local Verification Policies	Streamlined Lease Assistance Program
Elimination of Assets	Local Inspection Standards
Controlled Program Moves	

### ECONOMIC INDEPENDENCE

Local Policies for Portability	Term Limited Lease Assistance Program
Elimination of Earned Income Disallowance	No Child Left Unsheltered
Minimum Rent	Transition for Over-Income Families
Local FSS program	Pilot "Work" Requirement

### EXPANDING HOUSING CHOICE

Local Project-Based Voucher	Flexibility for Horizons at Yucaipa Senior Housing
Local Payment Standards	
Project-Based Voucher	



## MOVING TO WORK (CONTINUED)

These initiatives have resulted in positive outcomes related to the three MTW objectives for HACSB and the families we serve. In FY 2017, the following outcomes were achieved as a result of changes made with MTW flexibilities:

- Total cost savings from MTW activities: **\$631,647**
- Staff time savings from MTW activities: **26,472 hours**
- Average earned income for families participating in Streamlined Lease Assistance Program increased by **12%**, and the number of families receiving TANF decreased by **3.3%** in the 3 years since implementation.
- The number of families leasing in areas of poverty and/or minority concentration has decreased by **8%** as a result of the Local Payment Standards activity.
- Average earned income increased **60.2%** since implementation for families participating in the Term Limited Lease Assistance Program.
- For families in the Term Limited Lease Assistance program, full-time employment increased **19.3%** since implementation.

## MORE THAN JUST HOUSING

Through partnerships with other entities, HACSB provides the following resources and support:

**HACSB's Career Development Initiatives Team** helps families with career mentoring; resume building; overcoming barriers to employment; financial literacy/capability skills, such as budgeting and credit/asset building; and other employment development services.

The partnership with the **San Bernardino County Workforce Development Department (WDD)** provides on-site Workforce Development Specialists (WDS) who work exclusively with HACSB customers. Since 2013, the WDD and HACSB staff have performed approximately 550 job placements with wages ranging from \$9 to \$23 per hour. HACSB and WDD also established the Youth Employment Program from 16- to 24-year-olds to take advantage of up to six months of subsidized employment experience.

Mutual customers have access to the county's **Transitional Assistance Department (TAD)** Programs and Supportive Services and are specifically targeted for the CalWORKS Youth Employment Program and the CalWORKS Subsidized Employment Program for adults. HACSB provides housing support and coaching while TAD offers job training, placement opportunities, and supportive services.

Over the past 26-years through **HACSB's Annual Scholarship Program**, HACSB has awarded 292 students attending colleges, universities, and technical/vocational schools with \$219,250 in scholarships.

**HACSB's Homeownership Assistance Program**, which since its inception in 2000, has helped 232 families achieve homeownership. Since 2009, this program has ranked among the top in the nation in creating new homeowners each year.

Staff also makes **direct referrals to over 50 partner agencies** to provide program participants with vocational training, ESL classes, financial literacy education, parenting classes, mental health services, support groups, and small business development classes.

## HOUSING AUTHORITY of the County of San Bernardino BY THE NUMBERS



**2,478**  
Housing Authority-owned units



**10,653**  
vouchers for **25,348**  
individuals



**13**  
public housing developments  
in **10 cities**



**128**  
employees across  
**17 offices**



**50+**  
community and government  
partners



**61,448**  
applicants on various  
waiting lists



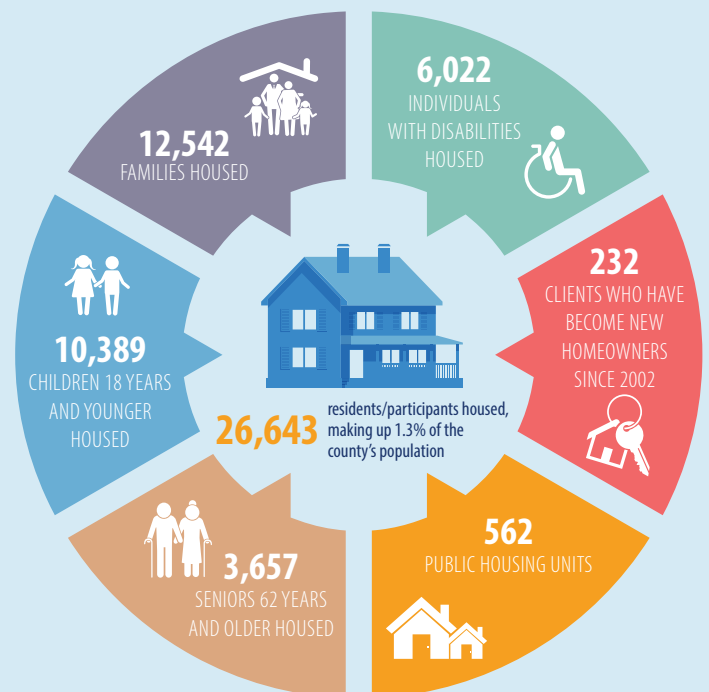
**292**  
scholarship recipients  
since **1991**

**\$131 million**  
added to the county's economy  
during fiscal year 2016-17

**\$86 million**  
paid to nearly 4,600 landlords  
for housing assistance

**\$9.9 million**  
paid to 678 vendors for various  
programs and services

**\$3.4 million**  
spent on rehabilitation, construction  
and acquisition of housing units



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# Term-Limited Lease Assistance Program

Summary of Outcomes from Year 1–5

Established in 2012, the Term-Limited Lease Assistance Program couples five years of housing assistance with case management and supportive services to help participating families achieve economic self-sufficiency. In April 2017, the first set of families who leased under this new program began to transition off of the program after five years of assistance.

Innovative programs like this are vital to addressing the growing need for affordable housing in our communities and made possible given our special Congressional designation

under the Moving to Work (MTW) demonstration program. MTW provides only 1% of all Housing Authorities nationwide with the unique opportunity to design and test innovative, locally-designed programs and services to best meet their local communities and residents.

HACSB has partnered with Loma Linda University to conduct a longitudinal study of the families participating in the Term Limited Lease Assistance Program. The statistics below highlight the results of the program's fifth year results.

## Outcomes from Year One to Five of the Program

### INCOME AND EMPLOYMENT

- Average Household Income: **\$25,312\***
- Average Household Earned Income: **\$18,776** (\$20,956 for families with full-time employment)
- Families with Earned Income: **75.1%**
- Changes from year 1 - 5:
  - **12.8%** Increase in income from wages\*
  - **52.5%** Decrease in income from welfare
  - **19.3%** Increase in full-time employment
  - **18%** decrease in unemployment

*\* Excludes income from higher income households that exited the program early. Year four results had a 21.5% increase in income from wages, the drop in Year 5 is due to higher income households that exited the program early.*

### EDUCATION

- Decrease in Families without High School Diploma: **2.8%**
- Increase in Vocational Degrees: **17.1%**

### EARLY EXITS

- Total exits between years 1-5: **55.5%**
- On Average **8.9%** of families exit by the second year, **27.9%** of families exit by year 3, **54.6%** exited by year 4.

In comparison to current families, early exiting families\* have:

- Higher Total and Wage income
- Full time employment with health benefits

*\* Excludes families exited for program violations.*

## Fifth Year Activity

As families reach their final year of housing assistance, communications with the family and landlord take place more frequently, ensuring that the family is aware of the approaching conclusion of assistance and has the opportunity to communicate any new challenges to their HACSB caseworker. As the end date approaches, the family also has the opportunity to request a hardship exemption for a temporary extension of assistance.

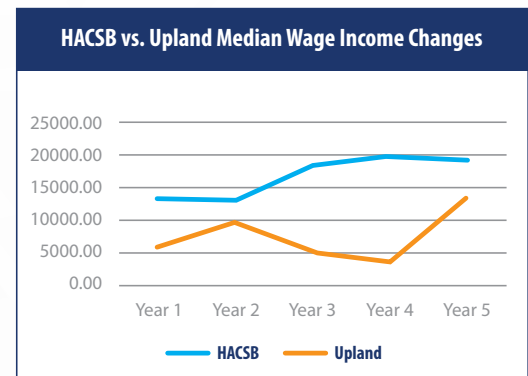
HACSB is also giving special attention to families that may be unprepared for leasing without assistance. Beginning at 18-months prior to the conclusion of assistance, these families receive additional intensive case management and support, including required monthly check-ins with their caseworker, a reassessment of the family's goal plan to address remaining challenges, and further support through HACSB partnerships such as with San Bernardino County Transitional Assistance Department and Workforce Development Department to help the family achieve stable employment.

### OF THOSE FAMILIES IN THEIR FIFTH YEAR OF HOUSING ASSISTANCE:

- 24.6% receive TANF assistance
- 52.7% have a savings account
- 53.9% have full-time employment

## Comparison to Upland Voucher Program

Given the positive improvements in income from the HACSB program, and paralleled local area economic improvement, it was necessary to determine whether the HACSB economic improvement were unique to the five year program, or a function of area economic improvement. Hence a comparison to the Upland voucher program. This program does not have a term limit or the additional supports seen in the HACSB five year program.



- 153 Upland families were compared to the 1,620 HACSB families within the same time frame (2012-2016)
- Year 5 median annual Wage Income for HACSB families was \$15,758 in comparison to Upland's \$6,414
- HACSB showed a 46.1% increase in wage income from year 1 to 5 in comparison to Upland's 128.5% increase.
- HACSB increased the number of families with Earned Income by 9.0% in comparison to Upland's increase of 6.0%.

## Hardship Exceptions

HACSB recognizes that the expiration of assistance may present a hardship for some families and may need an extension to their term of assistance. Three types of hardship exemptions are available, which include:

- Unforeseen Involuntary Loss of Income: If a family experiences an unforeseen involuntary loss of income within nine (9) months prior to the expiration of your assistance.
- Completion of Self-Sufficiency Activity: The head of household must be participating in an approved educational, job training, or other self-sufficiency activity leading to gainful employment.
- Other Reason: Under this category, HACSB's hardship exemption committee may grant an extension for an administrative error by the Housing Authority or other reason as determined by HACSB.

## Future Monitoring

HACSB has implemented a voluntary survey system that will allow us to continue monitoring the family for up to two years after the conclusion of assistance. The annual survey will collect information about the family's education/training and employment status, household income, housing status, and other factors. Participating families receive a monetary incentive for completing each survey. The information will allow HACSB to assess the impacts of the program on families post-assistance, and to make modifications to the program as needed.



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# Appendix J: Summary of MTW Activities

ACTIVITY	DESCRIPTION	STATUTORY OBJECTIVE	PLAN YEAR	STATUS
1	Single Fund Budget	Cost Effectiveness	FY 2009	Implemented
2	Strategic Investment Policies	Cost Effectiveness	FY 2009	Closed Out
3	Alternate Assessment Program	Cost Effectiveness	FY 2009	On Hold
4	Biennial and Triennial Recertifications	Cost Effectiveness	FY 2009	Implemented
5	Simplified Income Determination	Cost Effectiveness	FY 2009	Implemented
6	Elimination of Assets	Cost Effectiveness	FY 2009	Closed Out
7	Controlled Program Moves	Cost Effectiveness	FY 2009	Closed Out
8	Local Policies for Portability	Economic Self-Sufficiency	FY 2009	Implemented
9	Elimination of Earned Income Disallowance	Economic Self-Sufficiency	FY 2009	Closed Out
10	Minimum Rent	Economic Self-Sufficiency	FY 2009	Implemented
11	Local Project-Based Voucher Program	Expanding Housing Opportunities	FY 2009	Implemented
12	Local Payment Standards	Expanding Housing Opportunities	FY 2009	Implemented
13	Local Inspection Standards	Cost Effectiveness	FY 2010	Implemented
14	Local Asset Management Program	Cost Effectiveness	FY 2010	Implemented
15	Pilot Work Requirement	Economic Self-Sufficiency	FY 2010	Closed Out
16	Operating Subsidy for Vista del Sol	Expanding Housing Opportunities	FY 2010	Closed Out
17	Local Income Inclusion	Economic Self-Sufficiency	FY 2011	Closed Out
18	Property Management Innovation	Cost Effectiveness	FY 2011	Implemented
19	Local FSS program	Economic Self-Sufficiency	FY 2011	Implemented
20	Term-Limited Lease Assistance Program	Economic Self-Sufficiency	FY 2011	Implemented
21	Utility Allowance Reform	Cost Effectiveness	FY 2012	Closed Out
22	Streamlined Lease Assistance Program	Cost Effectiveness	FY 2013	Implemented
23	No Child Left Unsheltered	Economic Self-Sufficiency	FY 2014	Implemented
24	Transition for Over-Income Families	Economic Self-Sufficiency	FY 2014	Implemented
25	Project-Based Voucher Flexibility for Horizons at Yucaipa Senior Housing	Expanding Housing Opportunities	FY 2016	Implemented
26	Local Disaster Short-Term Rental Assistance	Expanding Housing Opportunities	FY 2017 Amendment 1	Implemented
27	Local Project-Based Voucher Subsidy for Developments Using Tax Credit Rents	Expanding Housing Opportunities	FY 2019 Amendment 2	Implemented

# **REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION**

**May 12, 2020**

## **FROM**

**MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino**

## **SUBJECT**

Non-Financial Memorandum of Understanding with the County of San Bernardino's Department of Behavioral Health for the No Child Left Unsheltered Program

## **RECOMMENDATION(S)**

1. Approve a non-financial Memorandum of Understanding with the County of San Bernardino's Department of Behavioral Health for the No Child Left Unsheltered program for the period of July 1, 2020 through June 30, 2025.
2. Authorize and direct the Executive Director to execute and deliver the Memorandum of Understanding to the County of San Bernardino's Department of Behavioral Health, and upon consultation with Legal Counsel, to approve any non-substantive revisions to complete the transaction.

(Presenter: Maria Razo, Executive Director, 332-6305)

## **GOALS & OBJECTIVES**

**HACSB clients, programs, and properties are embraced by all communities.**

**HACSB clients live in safe and desirable homes and communities where they can develop and prosper.**

## **FINANCIAL IMPACT**

Approval of this non-financial Memorandum of Understanding (MOU) will not result in a financial impact to the Housing Authority of the County of San Bernardino (HACSB) as there are no financial impacts associated with this item.

## **BACKGROUND INFORMATION**

The No Child Left Unsheltered (NCLU) Program, administered by HACSB, provides permanent housing subsidies with supportive services to homeless unsheltered children and their families. The program aims to address homelessness of unsheltered families with children in San Bernardino County. HACSB works with the County of San Bernardino's (County) Coordinated Entry System (CES) to identify eligible families. In turn, the County's Department of Behavioral Health (DBH) provides supportive services to program participants through intensive case management. The United States Department of Housing and Urban Development (HUD) authorized HACSB to set aside 40 Housing Choice Vouchers (rental housing subsidy) for eligible families for this program; therefore, at any given time, up to 40 families are served through the NCLU program. Since the program's inception in April 2015, 198 people have been housed through this program, including 124 children.

DBH provides intensive case management services per family unit in the NCLU program to assist in identifying and removing barriers to families successfully becoming employed, housed or educated to the level needed to achieve self-sufficiency. DBH assesses the family's living situation, physical and emotional health, safety and crisis, develops a plan and timeline to assist the family to regain stability; documents the family's progress; participates in case coordination

meetings with HACSB; and continually assesses the service needs of the families. Once intensive case management services are no longer necessary, the families continue to have access to their case managers, should they need assistance in the future.

The recommended agreement will allow HACSB and DBH to continue to work together providing housing subsidies and case management services to families in need. DBH and HACSB will continue to review, monitor, and evaluate program outcomes to ensure adherence to requirements of the MOU.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by Legal Counsel (Julie J. Surber, Principal Assistant County Counsel, 387-5455) on April 22, 2020

**MEMORANDUM OF UNDERSTANDING  
Between**

**County of San Bernardino Department of Behavioral Health  
and  
Housing Authority of the County of San Bernardino  
for  
No Child Left Unsheltered Program**

**July 1, 2020 – June 30, 2025**

**WHEREAS**, The County of San Bernardino Department of Behavioral Health, hereinafter referred to as DBH, provides mental health services to consumers and their families in need of permanent housing in San Bernardino County; and

**WHEREAS**, The Housing Authority of the County of San Bernardino, hereinafter referred to as HACSB provides permanent housing subsidies to homeless families through the No Child Left Unsheltered Program who are in need of supportive services; and

**WHEREAS**, HACSB agrees to work with DBH in identifying eligible families to access subsidized units within the No Child Left Unsheltered Program, and in return DBH agrees to provide case management services to participants in the No Child Left Unsheltered Program; and

**WHEREAS**, HACSB and DBH desire an agreement for the purpose of defining their respective roles in both providing housing units and case management services to participants in the No Child Left Unsheltered Program in order to achieve and maintain an enriched quality of life; and

**WHEREAS**, DBH finds HACSB qualified to provide housing services; and

**WHEREAS**, DBH desires that such services be provided by HACSB and HACSB agrees to perform these services as set forth below;

**NOW THEREFORE**, DBH and HACSB mutually agree to the following terms and conditions:

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### ATTACHMENT A – BUSINESS ASSOCIATE AGREEMENT



## I. PURPOSE

The No Child Left Unsheltered Program, administered by the Housing Authority of the County of San Bernardino (HACSB) provides permanent housing subsidies with supportive services to homeless unsheltered children and their families who are residents of San Bernardino County. Forty permanent housing units are available through the No Child Left Unsheltered Program. HACSB will work with County of San Bernardino Department of Behavioral Health (DBH) to assist families within the No Child Left Unsheltered Program. DBH will provide supportive services to program participants through intensive case management. Referrals to the No Child Left Unsheltered Program will be made by the County of San Bernardino's Coordinated Entry System (CES) where families with children are unsheltered at the time of application but do not otherwise qualify as chronically homeless under the Housing and Urban Development (HUD) definition. No Child Left Unsheltered is a local program developed by HACSB; therefore HACSB will make the final determination in regard to homelessness eligibility.

## II. DEFINITIONS

- A. Administrative Plan: policy manual that details rules and policies that govern the voucher programs under the Housing Authority of the County of San Bernardino.
- B. Authorization for Release of Protected Health Information (PHI): A HIPAA compliant authorization signed by the client or client's legal representative, authorizing DBH to release the client's information to a designated recipient. This form must be completed thoroughly with specified records to be shared, a designated time frame and expiration date, as well as a signature by the DBH client or his/her legal representative. If the form is signed by a legal representative, proof from the court system designating legal representation must accompany the request.

For general activities performed under this agreement, including referral for treatment or coordination of care of mental health services (45 CFR §160 and §164 – HIPAA), claim for receipt of aid [Welfare and Institutions Code (WIC) §5328], and/or audit or evaluation activities by TAD as the local governmental agency providing financial assistance for services rendered (42 CFR §2.53) - an Authorization for Release of PHI form is not required if PHI is disclosed for purposes allowed under HIPAA, WIC 5328 or 42 CFR Part 2.53. For all other third party disclosures, DBH staff must utilize the DBH Authorization form per DBH Information Notice 18-02.

- C. Barriers: Temporary or long-term personal or other problems/issues that interfere with participation, employment, or job search.
- D. Case Plan: A comprehensive plan developed by DBH staff with the consumer to assist the family in resolving the identified situation, barriers or crisis involving behavioral health, employment, education and housing stability needs.
- E. Counseling: Advice and support that is given to people to help them experience relief from emotional distress and assist them in reaching their goals for a happier life.
  - 1. Individual Counseling: Face-to-face meeting with a therapist or counselor with one (1) individual. Individual counseling sessions are for treatment and shall be claimed using

fifteen (15) minute increments. One session may include multiple units of service. Time spent documenting shall not be included within the individual counseling session.

2. Group Counseling: Face-to-face contacts in which one or more therapists or counselors treat two (2) or more clients at the same time with a maximum of twelve (12) in the group, lasting 90 minutes. Group counseling sessions are for treatment. Charting the group session is not included in the 90-minute group counseling session. Counseling in a group setting that offers opportunities to work on necessary issues.
- F. Department of Behavioral Health (DBH): The County of San Bernardino Department of Behavioral Health, under state law, provides mental health and substance use disorder treatment services to County residents. In order to maintain a continuum of care, DBH operates or contracts for the provision of prevention and early intervention services, 24-hour care, day treatment outpatient services, case management, and crisis and referral services. Community services are provided in all major County metropolitan areas and are readily accessible to County residents.
  - G. Episode: The period that a case is open. If a consumer exits treatment, the case is closed, and that episode ends. When a consumer returns, a new episode of treatment occurs with a new opening date. Episode tracking is a state data requirement.
  - H. Family: Is used interchangeably with “applicant”, “participant” or “consumer.”
  - I. Family Obligations Agreement: Contract between the eligible applicant and the HACSB that details the requirements, rules, policies, and responsibilities for participation in the program. A contract signed by the eligible applicant with HACSB does not preclude or override any requirements made by DBH, or contained in the landlord/tenant lease.
  - J. Health Insurance Portability and Accountability Act (HIPAA): A federal law designed to improve portability and continuity of health insurance coverage in the group and individual markets, to combat waste, fraud, and abuse in health insurance and health care delivery, to promote the use of medical savings accounts, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes.
  - K. Landlord: An individual, firm, corporation, partnership, HACSB or similar entity; or a designated property manager that holds title to the housing that receives funding through rental subsidies on behalf of this program.
  - L. Mental Health Treatment Services: Services include timely and consistent assessment; defined and time-limited treatment that removes mental health as a barrier to employment; effective communication regarding participation in treatment; quality assurance monitoring to ensure the appropriate level and timeliness of care and quality of services; ongoing support for continued employment and electronic tracking of all services.
    1. Behavioral Health Assessment: An evaluation to identify the level of an individual's behavioral health needs or conditions that limit ability to work and the appropriate level of treatment and/or rehabilitation for the individual. It may include a clinical analysis of the history and current status of the individual's mental, emotional, or behavioral disorder.

2. Outpatient Services: Customer is provided group counseling sessions weekly and ongoing individual counseling sessions. Customer is provided case management services to access and monitor needed behavioral health and/or community services.
  3. Crisis Intervention: A rapid response service enabling the individual to cope with a crisis, while maintaining his/her status as a functioning community member to the greatest extent possible.
- M. MOU: Memorandum of Understanding is a document describing an agreement between parties.
  - N. No Child Left Unsheltered Program: Provides permanent housing subsidies to homeless unsheltered children and their families who are residents of San Bernardino County. The No Child Left Unsheltered program aims to end homelessness of unsheltered families with children. The program will help resolve extremely critical needs of unsheltered families in the county by offering rental subsidies to families who are identified as eligible unsheltered homeless families with children. Families with children must be unsheltered at time of application, and may not otherwise qualify as chronically homeless under the HUD definition, but who meet the criteria contained within HACSB's Housing Services Administrative Plan.
  - O. Personally Identifiable Information (PII): PII is information that can be used alone or in conjunction with other personal or identifying information, which is linked or linkable to a specific individual. This includes: name, social security number, date of birth, address, driver's license, photo identification, other identifying number (case number, client index number, SIMON number/medical record number, etc.).
  - P. Protected Health Information (PHI): PHI is individually identifiable health information held or transmitted by a covered entity or its business associate, in any form or media, whether electronic, paper or oral. Individually identifiable information is information, including demographic data, that relates to the individual's past, present or future physical or mental health or condition; the provision of health care to the individual; or the past, present, or future payment for the provision of health care to the individual, and identifies the individual or for which there is reasonable basis to believe it can be used to identify the individual. PHI excludes individually identifiable health information in education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. 1232g; in records described at 20 U.S.C. 1232g(a)(4)(B)(iv); in employment records held by a covered entity in its role as employer; and regarding a person who has been deceased for more than fifty (50) years.
  - Q. Supportive Housing: Permanent housing programs in which participants receive subsidized affordable housing services, through either DBH or HACSB, and other case management, self-sufficiency and career development support to help consumers maintain their residency and improve self-sufficiency.
  - R. Unsubsidized Employment: Direct employment without a subsidy wherein the wage is paid entirely by the employer.
  - S. Target Population: Eligible unsheltered, homeless children and their families.

### **III. HACSB SERVICE RESPONSIBILITIES**

HACSB shall have the following responsibilities when providing services:

- A. Provide housing services to qualified applicants who are County residents. Services will be provided through the HACSB offices located in San Bernardino, Upland, and Victorville.
- B. Refer all families participating in the No Child Left Unsheltered Program to DBH for case management services.
- C. Maintain releases of information for each participant in the program to ensure open communication between DBH and HACSB.
- D. Provide housing services that include: screening eligibility and verification of applications, criminal background checks, orientation screenings, issuance of Family Obligations Agreement, initial and regular housing inspections, determination of rents, and payments to the landlord.
- E. Screen applicants and ensure individuals meet the qualifications as outlined in the Housing Services Program Administrative Plan.
- F. Notify the applicant of acceptance into the program and coordinate initial contact with DBH. Conduct orientation meetings to provide instructions to applicants on policies, the Family Obligations Agreement, and to outline applicant's rental responsibilities.
- G. To the extent permitted by law, facilitate monthly and/or as needed case conference meetings with DBH and service providers to discuss identification of barriers to productive treatment, mutual problem solving, and future planning.
- H. Immediately notify DBH Office of Compliance of any suspected or actual breach of confidential information at the address below:

DBH Office of Compliance

303 East Vanderbilt Way

San Bernardino, CA 92415-0026

- I. Inform applicants of the requirement to participate in No Child Left Unsheltered Program activities. Consumers that do not participate fully will be held to the standard Housing Authority requirements.
- J. Provide work space and a phone line, as needed, for the DBH Case Managers at agreed upon HACSB office locations.
- K. Independent of this MOU, HACSB will continue to provide services to eligible families.

#### **IV. HACSB GENERAL RESPONSIBILITIES**

- A. Without the prior written consent of DBH, this MOU is not assignable by HACSB either in whole or in part.
- B. HACSB shall adhere to the Housing Services Administrative Plan.
- C. HACSB shall protect from unauthorized use or disclosure names and other identifying information concerning persons receiving services pursuant to this MOU, except for statistical information not identifying any participant. HACSB shall not use or disclose any identifying information for any other purpose other than carrying out HACSB obligations under this MOU, except as may be otherwise required by law. This provision will remain in force even after the termination of the MOU.

- D. HACSB shall obtain and complete required documents as well as maintain satisfactory performance as outlined herein for the period of this MOU defined in Section IX.
- E. HACSB agrees not to enter into any subcontracting agreements for work contemplated under the MOU without first obtaining written approval from the DBH Director. Any subcontractor shall be subject to the same provisions HACSB in addition to all contract provision as required by County.
  - 1. If HACSB intends to subcontract any part of the services provided under this agreement to a separate and independent agency or agencies, it must submit a written Memorandum of Understanding (MOU) with that agency or agencies to DBH. The MOU must clearly define the following:
    - a. The name of the subcontracting agency.
    - b. The amount (units, minutes, etc.) and types of services to be rendered under the MOU.
    - c. The amount of funding to be paid to the subcontracting agency.
    - d. The subcontracting agency's role and responsibilities as it relates to this MOU.
    - e. A detailed description of the methods by which the HACSB will insure that all subcontracting agencies meet the monitoring requirements associated with funding regulations.
  - 2. Any subcontracting agency must be approved by DBH and shall be subject to all applicable provisions of this agreement. The HACSB will be fully responsible for any performance of a subcontracting agency. DBH will not reimburse HACSB or Subcontractor for any expenses rendered by a subcontractor **NOT** approved by DBH.
- F. HACSB agrees to resolve complaints based on the agencies policies.

**V. DBH RESPONSIBILITIES**

DBH shall have the following responsibilities:

- A. Pursuant to HIPAA, DBH has implemented administrative, physical, and technical safeguards to protect the confidentiality, integrity, and availability PHI transmitted or maintained in any form or medium.
- B. Provide 2.0 FTE case managers to provide intensive case management services to No Child Left Unsheltered Program families that are experiencing an identified situation or crisis that may include:
  - 1. Homelessness
  - 2. An unsafe living environment due to domestic violence
  - 3. Untreated or undertreated behavioral needs, including mental health or substance use disorder related needs
- C. Based on the need, DBH will provide case management services per family unit to assist in identifying and removing barriers to families successfully becoming employed, housed or

educated to the level needed to achieve self-sufficiency. The length of case management services depends on which service, or the number of services the consumer needs. Consumers will continue to have access to the case manager after their episode is closed should they require further assistance.

- D. Ensure families receive appropriate behavioral health services and other services as needed either by direct service from a County clinic/program, referral to a contracted community based organization or through linkages to other social services. Services shall include, but are not limited to:
  - 1. Mental Health Services and/or Treatment
  - 2. Substance Use Disorder Services and/or Treatment
  - 3. Domestic Violence Shelters
- E. Ensure consumers who are homeless receive counseling for any underlying issues related to homelessness as determined on a case-by-case basis by DBH staff.
- F. Develop a case plan for all program participants.
- G. Obtain a valid Authorization for Release of PHI from DBH client prior to sharing any PHI with HACSB and in the performance of required services.
- H. Provide transportation on a case-by-case basis for consumers to attend appointments and utilize resources as outlined in the consumers' case plan.
- I. Provide case management services to all referred consumers. The referrals for case management services include the provision of services for all members of the family unit. Services include on-going assessments, referrals for services, the development of a plan and timeline that documents the consumer's progress. Case management duties are as follows:
  - 1. Frequent and on-going contact with each family, ranging from **daily to weekly**, depending on level of need and progress, **via phone and/or in-person**, to determine the effectiveness of services provided to participating consumers and family members, as determined by DBH staff.
  - 2. Assess the stability of the family's living situation, physical and emotional health and safety.
  - 3. Assess weekly progress toward Case Plan goals and make necessary changes to improve the family's success in meeting these goals.
  - 4. Provide appropriate referrals for services needed to assist the family.
  - 5. Monitor each family's progress toward making the necessary changes to improve the situation or crisis.
  - 6. Participate in case coordination meetings with the HACSB and provide updates on case plan goals.
  - 7. Provide training to HACSB tenants regarding tenant responsibilities, good neighbor policy and household budgeting.
  - 8. Provide group in house meetings and workshop activities.

9. Make every effort, including home visits, to engage families who are not making adequate progress.
- J. Ensure case management of all participants is maintained with all required forms and documentation. DBH shall maintain individual customer case folders in a secured file cabinet for a period of three years from the close of the consumer's services.
- K. Maintain participant case folders and utilize established DBH forms for program participants served through DBH.
- L. Maintain a quality assurance process to ensure timely and appropriate assessment and treatment of customers.
- M. Provide quarterly reports for the No Child Left Unsheltered Program to HACSB that include the following:
  1. The total number of NCLU participants served by DBH,
  2. Updates on the successes of participants served,
  3. The total number of NCLU participants who declined to receive DBH services,
  4. Updates on case plan goals.
- N. Provide direct supervision of case manager, a DBH employee, co-located at the HACSB facility.
- O. Provide the necessary equipment for the case manager, including a laptop in order to complete job functions.
- P. Independent of this MOU, DBH will continue to provide services to eligible families.
- Q. Agrees to resolve grievances based on the agencies policies.

## **VI. MUTUAL RESPONSIBILITIES**

- A. DBH and HACSB agree they will establish mutually satisfactory methods for the exchange of such information as may be necessary in order that each party may perform its duties and functions under this MOU; and appropriate procedures to ensure all information is safeguarded from improper disclosure in accordance with applicable State and Federal laws and regulations.
- B. DBH and HACSB agree they will establish mutually satisfactory methods for problem resolution at the lowest possible level as the optimum, with a procedure to mobilize problem resolution up through DBH and HACSB's mutual chain of command, as deemed necessary.
- C. DBH and HACSB agree to develop and implement procedures and forms necessary to administer and document program referral, participation, compliance and effectiveness.
- D. DBH and HACSB will establish measurable benchmarks to determine customers' progress and ability to participate in additional supportive and enrichment activities.
- E. DBH and HACSB agree they will collaborate in providing In-Service Training to staff about the No Child Left Unsheltered Program and services offered under this MOU.
- F. DBH shall cooperate with HACSB in the implementation, monitoring and evaluation of this MOU and comply with any and all reporting requirements established by this MOU.

- G. DBH and HACSB shall observe all federal, state and county requirements, and applicable law concerning the confidentiality of behavioral health records. DBH and HACSB, as required by applicable law, shall strictly maintain confidentiality of behavioral health records of clients.
- H. DBH and HACSB will collaborate to assist customers with landlord issues, and when necessary refer the customer to the Inland Fair Housing and Mediation Board.
- I. DBH and HACSB agree to collaborate with Loma Linda University on research efforts, such as data collection of families served.
- J. Privacy and Security
  - 1. Both parties shall adhere to any County applicable privacy-related policies pertaining to PII. DBH has a specific responsibility to comply with all applicable State and Federal regulations pertaining to privacy and security of client PHI and strictly maintain the confidentiality of behavioral health records, and HACSB shall assist DBH in upholding said confidentiality by applying safeguards as discussed herein. Regulations have been promulgated governing the privacy and security of individually identifiable health information (IIHI) PHI or electronic Protected Health Information (ePHI).
  - 2. In addition to the aforementioned protection of IIHI, PHI and e-PHI, both parties shall adhere to the protection of personally identifiable information (PII) and Medi-Cal PII. PII includes any information that can be used to search for or identify individuals such as but not limited to name, social security number or date of birth. Whereas Medi-Cal PII is the information that is directly obtained in the course of performing an administrative function on behalf of Medi-Cal, such as determining eligibility that can be used alone in conjunction with any other information to identify an individual.
  - 3. Reporting Improper Access, Use, or Disclosure of Unsecure PHI and PII

Upon discovery of any unauthorized use, access or disclosure of PHI or any other security incident with regards to PHI or PII, HACSB agrees to report to DBH no later than one (1) business day upon the discovery of a potential breach. Contractor shall cooperate and provide information to DBH to assist with appropriate reporting requirements to the DBH Office of Compliance.
  - 4. Both parties shall ensure any DBH client PHI that is stored on its premises will be locked and secure in adherence to IIHI and PHI privacy requirements.

## **VII. FISCAL PROVISIONS**

- A. This is a non-financial MOU.

## **VIII. RIGHT TO MONITOR AND AUDIT PERFORMANCE AND RECORDS**

- A. DBH staff or any subdivision or appointee thereof, and the State of California or any subdivision or appointee thereof, including the Inspector General, shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, financial records, staff information, patient records and other pertinent items as requested, and shall have absolute right to monitor the performance of HACSB in the delivery of services provided under this MOU. Full cooperation shall be given by HACSB in any auditing or monitoring conducted according to this agreement and per 42 C.F.R. § 2.53 Audit and Evaluation.



- B. HACSB and DBH shall cooperate in the implementation, monitoring, and evaluation of this MOU and comply with any and all reporting requirements established by this MOU.
- C. HACSB shall provide all reasonable facilities and assistance for the safety and convenience of DBH 's representative in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work of HACSB.
- D. HACSB shall permit DBH and the State access and inspection of electronic or print books and records, access to physical facilities, and access and ability to interview employees. Failure to permit access for inspection and/or ability to interview is a breach of this MOU and sufficient basis to terminate for cause or default.
- E. All records shall be complete, current and comply with all MOU requirements.
- F. HACSB shall maintain client and community service records in compliance with all regulations set forth by local, State, and Federal requirements, laws and regulations, and provide access to clinical records by DBH staff.
- G. HACSB shall agree to maintain and retain all appropriate client records for a period of at least ten (10) years from the date of service or until audit findings are resolved, whichever is later.

#### **IX. TERM**

This Memorandum of Understanding (MOU) is effective as of July 1, 2020 and expires June 30, 2025 but may be terminated earlier in accordance with provisions of Section X of this MOU.

#### **X. EARLY TERMINATION**

- A. This MOU may be terminated without cause upon thirty (30) days written notice by either party. DBH's Director is authorized to exercise DBH's rights with respect to any termination of this MOU. The HACSB Director, or his/her appointed designee, has authority to terminate this MOU on behalf of HACSB.
- B. If, during the term of this MOU, State and/or Federal funds appropriated for the purposes of this MOU are reduced or eliminated, DBH may immediately terminate this MOU upon written notice to HACSB.

#### **XI. INDEMNIFICATION**

The HACSB agrees to indemnify, defend (with counsel reasonably approved by the County DBH) and hold harmless the County DBH and its authorized officers, employees, agents, and volunteers from any and all claims, actions, losses, damages, and or liability arising out of this MOU from the negligence of the HACSB, including the acts, errors or omissions of the HACSB and for any costs or expenses incurred by the County DBH on account of any claim resulting from the acts or negligence of the HACSB or its authorized officers, employees, agents, and volunteers, except where such indemnification is prohibited by law.

The County DBH agrees to indemnify, defend (with counsel reasonably approved by the HACSB) and hold harmless the HACSB and its authorized officers, employees, agents, and volunteers from any and all claims, actions, losses, damages, and or liability arising out of this MOU from the negligence of the County DBH, including the acts, errors or omissions of the County DBH and for any costs or expenses incurred by the HACSB on account of any claim resulting from the acts or negligence of the County

DBH or its authorized officers, employees, agents, and volunteers, except where such indemnification is prohibited by law.

## **XII. GENERAL PROVISIONS**

- A. No waiver of any of the provisions of the MOU documents shall be effective unless it is made in a writing which refers to provisions so waived and which is executed by the Parties. No course of dealing and no delay or failure of a Party in exercising any right under any MOU document shall affect any other or future exercise of that right or any exercise of any other right. A Party shall not be precluded from exercising a right by its having partially exercised that right or its having previously abandoned or discontinued steps to enforce that right. No course of dealing and no delay or failure of a Party in exercising any right under any MOU document shall affect any other or future exercise of that right or any exercise of any other right.
- B. Any alterations, variations, modifications, or waivers of provisions of the MOU, unless specifically allowed in the MOU, shall be valid only when they have been reduced to writing, duly signed and approved by the Authorized Representatives of both parties as an amendment to this MOU. No oral understanding or agreement not incorporated herein shall be binding on any of the Parties hereto.
- C. HACSB shall comply with the terms and conditions as set forth in the attached ***Business Associate Agreement***, hereby incorporated by this reference as **Attachment A**.

### XIII. CONCLUSION

- A. This MOU, consisting of fifteen (15) pages, Attachments A and B, is the full and complete document describing services to be rendered by HACSB to DBH including all covenants, conditions and benefits.
- B. The signatures of the Parties affixed to this MOU affirm that they are duly authorized to commit and bind their respective departments to the terms and conditions set forth in this document.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

COUNTY OF SAN BERNARDINO

►  
Curt Hagman, Chairman, Board of Supervisors

Dated: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY OF THIS  
DOCUMENT HAS BEEN DELIVERED TO THE  
CHAIRMAN OF THE BOARD

Lynna Monell  
Clerk of the Board of Supervisors  
of the County of San Bernardino

By \_\_\_\_\_  
Deputy

HOUSING AUTHORITY OF THE COUNTY OF  
SAN BERNARDINO

By ►  
(Authorized signature - sign in blue ink)

Name \_\_\_\_\_  
(Print or type name of person signing contract)

Title \_\_\_\_\_  
(Print or Type)

Dated: \_\_\_\_\_

Address 715 E. Brier Drive  
San Bernardino, CA

Approved as to Legal Form

►  
Dawn Martin, Deputy County Counsel

Date \_\_\_\_\_

Reviewed by Contract Compliance

►  
Natalie Kessee, Contracts Manager

Date \_\_\_\_\_

Presented to BOS for Signature

►  
Veronica Kelley, Director

Date \_\_\_\_\_

## BUSINESS ASSOCIATE AGREEMENT

Except as otherwise provided in this Agreement, Housing Authority of the County of San Bernardino, hereinafter referred to as Business Associate, may use, access, maintain or disclose Protected Health Information to perform functions, activities or services for or on behalf of the County of San Bernardino hereinafter referred to as the Covered Entity, as specified in this Agreement and the attached **CONTRACT**, provided such use, access, maintenance or disclosure does not violate the Health Insurance Portability and Accountability Act (HIPAA), 42 United States Code (USC) 1320d et seq., and its implementing regulations, including but not limited to, 45 Code of Federal Regulations (CFR) Parts 160, 162, and 164, hereinafter referred to as the "Privacy and Security Rules" and patient confidentiality regulations, including but not limited to, Welfare and Institutions Code (WIC) 5328, 42 CFR Part 2 and the requirements of the Health Information Technology for Economic and Clinical Health Act, as incorporated in Title XIII of the American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5 (HITECH) and any regulations adopted or to be adopted pursuant to HITECH that relate to the obligations of business associates. Business Associate recognizes and agrees it is obligated by law to meet the applicable provisions of HITECH.

### I. Definitions

- A. "Breach" means the acquisition, access, use or disclosure of Protected Health Information (PHI) in a manner not permitted under HIPAA (45 CFR Part 164, Subpart E), WIC 5328 or 42 CFR Part 2, which compromises the security or privacy of the PHI. An impermissible use or disclosure of PHI is presumed to be a Breach unless the Covered Entity or Business Associate demonstrates that there is a low probability that the PHI has been compromised. A Breach shall not include:
  - 1. Any unintentional acquisition, access or use of PHI by a workforce member or person acting under the authority of Covered Entity or the Business Associate, if such acquisition, access or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under the Privacy Rule; or
  - 2. Any inadvertent disclosure by a person who is authorized to access PHI at Covered Entity or Business Associate to another person authorized to access PHI at Covered Entity or Business Associate, respectively, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted under the Privacy Rule; or
  - 3. A disclosure of PHI where Covered Entity or Business Associate has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.
- B. "Business Associate" means with respect to a Covered Entity, a person who:
  - 1. On behalf of such Covered Entity, but other than in the capacity of a member of the workforce of such Covered Entity creates, receives, maintains or transmits PHI for a function or activity involving the use or disclosure of Personally Identifiable Health Information, including claims processing or administration, data analysis, data storage, utilization review, quality assurance, billing, benefit management, practice management, and repricing; or
  - 2. Provides, other than in the capacity of a member of the workforce of such Covered Entity, legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation or financial services to or for

Covered Entity where the provision of the service involves the disclosure of PHI from such Covered Entity to the person.

A Covered Entity may be the Business Associate of another Covered Entity.

- C. "Covered Entity" means a health plan, a health care clearinghouse or a health care provider who transmits any health information in electronic form in connection with a transaction covered by the Privacy and Security Rules.
- D. "Data Aggregation" means, with respect to PHI created or received by a Business Associate in its capacity as the Business Associate of a Covered Entity, the combining of such PHI by the Business Associate with the PHI received by the Business Associate in its capacity as a Business Associate of another Covered Entity, to permit data analyses that relate to the health care operations of the respective Covered Entities.
- E. "Designated Record Set" means:
  - 1. A group of records maintained by or for a covered entity that is:
    - (a) The medical records and billing records about individuals maintained by or for a covered health care provider;
    - (b) The enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or
    - (c) Used, in whole or in part, by or for the covered entity to make decisions about individuals.
  - 2. For purposes of this paragraph, the term record means any item, collection, or grouping of information that includes protected health information and is maintained, collected, used, or disseminated by or for a covered entity.
- F. "Discovered" means a Breach shall be treated as discovered by Covered Entity or Business Associate as of the first day on which such Breach is known to such Covered Entity or Business Associate, respectively, (including any person, other than the individual committing the Breach, that is an employee, officer or other agent of such entity or associate, respectively) or should reasonably have been known to such Covered Entity or Business Associate (or person) to have occurred.
- G. "Electronic Protected Health Information" or "Electronic PHI" means PHI that is transmitted by or maintained in electronic media as defined in the Security Rule.
- H. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- I. "HITECH" means the privacy and security Breach notification provisions applicable to Business Associate under Title XIII of ARRA.
- J. "Individual" means the person who is the subject of PHI, and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).
- K. "Individually Identifiable Health Information" means information that is a subset of health information, including demographic information collected from an individual, and;
  - 1. is created or received by a health care provider, health plan, employer or health care clearinghouse; and
  - 2. relates to the past, present or future physical or mental health condition of an individual; the provision of health care to an individual; or the past,

present or future payment for the provision of health care to an individual;  
and

- (a) that identifies the individual; or
- (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

- L. "Privacy Rule" means the regulations promulgated under HIPAA by the United States Department of Health and Human Services to protect the privacy of Protected Health Information, including, but not limited to, 45 CFR Part 160 and 45 CFR Part 164, Subpart A and Subpart E.
- M. "Protected Health Information" or "PHI" means Individually Identifiable Health Information transmitted or maintained in any form or medium that (i) is received by Business Associate from Covered Entity, (ii) Business Associate creates for its own purposes from Individually Identifiable Health Information that Business Associate received from Covered Entity, or (iii) is created, received, transmitted or maintained by Business Associate on behalf of Covered Entity. Protected Health Information excludes Individually Identifiable Health Information in education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. Section 1232(g), records described at 20 U.S.C. Section 1232g(a)(4)(B)(iv), and employment records held by the Covered Entity in its role as employer.
- N. "Security Rule" means the regulations promulgated under HIPAA by the United States Department of Health and Human Services to protect the security of the Electronic Protected Health Information, including, but not limited to, 45 CFR Part 160 and 45 CFR Part 164, Subpart A and Subpart C.
- O. "Unsecured PHI" means PHI that is not secured through the use of a technology or methodology specified by the Secretary of the U.S. Department of Health and Human Services.
- P. Any terms capitalized, but not otherwise defined, in this Agreement shall have the same meaning as those terms have under HIPAA, the Privacy Rule, the Security Rule and HITECH.

## II. Obligations and Activities of Business Associate

### A. Prohibited Uses and Disclosures

Business Associate shall not use, access or further disclose PHI other than as permitted or required by this Agreement and as specified in the attached **CONTRACT** or as required by law. Further, Business Associate shall not use PHI in any manner that would constitute a violation of the Privacy Rule or HITECH, WIC 5328 or 42 CFR Part 2. Business Associate shall disclose to its employees, subcontractors, agents, or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder.

Business Associate shall not use or disclose PHI for fundraising or marketing purposes. Business Associate shall not disclose PHI to a health plan for payment or health care operations purposes if the patient has requested this special restriction, and has paid out of pocket in full for the health care item or service to which the PHI solely relates; 42 U.S.C. Section 17935(a) and 45 C.F.R. Section 164.522(a)(1)(i)(A). Business Associate shall not directly or indirectly receive remuneration in exchange for PHI, except with the prior written consent of Covered Entity and as permitted by HITECH, 42 U.S.C. Section 17935(d)(2); and

45 C.F.R. Section 164.508 however, this prohibition shall not affect payment by Covered Entity to Business Associate for services provided pursuant to this Agreement.

**B. Permitted Uses and Disclosures**

1. Except as otherwise limited in this Agreement, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate. Business Associate must ensure disclosure of SUD Part 2 records/information is in alignment with 42 CFR Part 2 restrictions and requirements.
2. Except as otherwise limited in this Agreement, Business Associate may use PHI to provide Data Aggregation service to Covered Entity as permitted by 45 CFR Section 164.504(e)(2)(i)(B), WIC 5328 (25), or 42 Part 2.52 and/or 2.53.
3. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR Section 164.502(j)(1), WIC 5328 (7) or (18) or (20) or 42 CFR Part 2.12 (5) or (6).
4. If Business Associate discloses PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable written assurances from such third party that such PHI will be held confidential as provided pursuant to this Agreement and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) a written agreement from such third party to immediately notify Business Associate of any breaches of confidentiality of the PHI, to the extent it has obtained knowledge of such breach. [42 U.S.C. section 17932; 45 C.F.R. sections 164.504(e)(2)(i), 164.504(e)(2)(i)(B), 164.504(e)(2)(ii)(A) and 164.504(e)(4)(ii)].

**C. Appropriate Safeguards**

Business Associate shall implement the following administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of PHI that Business Associate creates, receives, maintains or transmits on behalf of Covered Entity; and to ensure that any agent or subcontractor to whom Business Associate provides such information agrees to implement reasonable and appropriate safeguards to protect PHI in accordance with the Security Rule under 45 C.F.R., Sections 164.308, 164.310, 164.312, 164.314 and 164.316:

1. Implement policies and procedures to prevent, detect, contain and correct security violations; identify the security official who is responsible for the development and implementation of the policies and procedures required by this subpart for the Business Associate; implement a security awareness and training program for all members of its workforce; implement policies and procedures to prevent those workforce members who should not have access from obtaining access to Covered Entity's Electronic PHI; implement policy and procedures to address security incidents; establish policies and procedures for responding to an emergency or other occurrence that damages systems that contain Electronic PHI; and perform a periodic technical and nontechnical evaluation in response to environmental or operational changes affecting the security of Electronic PHI, including conducting accurate and

thorough assessments of the potential risks and vulnerabilities to the confidentiality, integrity and availability of Electronic PHI, that establishes the extent to which an entity's security policies and procedures meet the requirements of this subpart. If SUD Part 2 records/information are part of Business Associate's operations, formal policies and procedures must address 1) paper records and 2) electronic records, as specified in 42 CFR Part 2.16.

2. Implement policies and procedures to limit physical access to Business Associate's electronic information systems and the facility or facilities in which they are housed, while ensuring that properly authorized access is allowed; implement policies and procedures that specify the proper functions to be performed, and the physical attributes of the surroundings of a specific workstation or class of workstations that can access Electronic PHI; implement physical safeguards for all workstations that access Electronic PHI; restrict access to authorized users; implement policies and procedures that govern the receipt and removal of hardware and electronic media that contain Electronic PHI into and out of a facility and the movement of these items within the facility.
3. Implement technical policies and procedures for electronic information systems that maintain Electronic PHI to allow access only to those persons or software programs that have been granted access rights as specified in 45 C.F.R., Section 164.308 implement hardware, software and/or procedural mechanisms that record and examine activity in information systems that contain or use Electronic PHI; implement policies and procedures to protect Electronic PHI from improper alteration, destruction, unauthorized access or loss of integrity or availability; including but not limited to, encryption of all workstations, laptops and flash drives that store PHI.
4. Enter into written agreements with agents and subcontractors to whom Business Associate provides Covered Entity's PHI that impose the same restrictions and conditions on such agents and subcontractors that apply to Business Associate with respect to such PHI, and that require compliance with all appropriate safeguards as found in this Agreement.

D. Mitigation

Business Associate shall have procedures in place to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use, access or disclosure of PHI by Business Associate, its agents or subcontractors in violation of the requirements of this Agreement.

E. Reporting of Improper Access, Use or Disclosure or Breach

Business Associate shall report to Covered Entity's Office of Compliance any unauthorized use, access or disclosure of Unsecured PHI or any other security incident with respect to PHI no later than one (1) business day upon the discovery of a Breach or suspected Breach consistent with the regulations promulgated under HITECH by the United States Department of Health and Human Services, 45 CFR Part 164, Subpart D, as well as 42 CFR Part 2. Upon discovery of a Breach or suspected Breach, the Business Associate shall complete the following actions:

1. Provide Covered Entity's Office of Compliance with the following information to include but not limited to:



- (a) Date the Breach or suspected Breach occurred;
  - (b) Date the Breach or suspected Breach was discovered;
  - (c) Number of staff, employees, subcontractors, agents or other third parties and the titles of each person allegedly involved;
  - (d) Number of potentially affected Patients/Clients; and
  - (e) Description of how the Breach or suspected Breach allegedly occurred.
- 2. Conduct and document a risk assessment by investigating without reasonable delay and in no case later than five (5) calendar days of discovery of the Breach or suspected Breach to determine the following:
  - (a) The nature and extent of the PHI involved, including the types of identifiers and likelihood of re-identification;
  - (b) The unauthorized person who used PHI or to whom it was made;
  - (c) Whether the PHI was actually acquired or viewed; and
  - (d) The extent to which the risk to PHI has been mitigated.
- 3. Provide a completed risk assessment and investigation documentation to Covered Entity's Office of Compliance within ten (10) calendar days of discovery of the Breach or suspected Breach with decision whether a Breach has occurred.
  - (a) If a Breach has not occurred, notification to Individual(s) is not required.
  - (b) If a Breach has occurred, notification to the Individual(s) is required and Business Associate must provide Covered Entity with affected Individual(s) name and contact information so that Covered Entity can provide notification.
- 4. Make available to Covered Entity and governing State and Federal agencies in a time and manner designated by Covered Entity or governing State and Federal agencies, any policies, procedures, internal practices and records relating to a Breach or suspected Breach for the purposes of audit or should the Covered Entity reserve the right to conduct its own investigation and analysis.

F. Access to Protected Health Information

Business Associate shall provide access to PHI in a Designated Record Set to Covered Entity or to an Individual, at the request or direction of Covered Entity and in the time and manner designated by the Covered Entity. If Business Associate maintains PHI in an electronic format, and an individual requests a copy of such information in electronic form, Business Associate shall provide such information in electronic form as required by 45 CFR Section 164.524 and 42 CFR Part 2.53, as applicable.

To the extent Business Associate maintains a Designated Record Set on behalf of Covered Entity, Business Associate shall make PHI maintained by Business Associate or its agents or subcontractors in Designated Record Sets available to Covered Entity for inspection and copying within ten (10) days of a request by Covered Entity to enable Covered Entity to fulfill its obligations under the Privacy Rule and 42 CFR Part 2.53. If Business Associate maintains ePHI, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act. If Business Associate receives a request from an Individual or Entity (e.g., Public Records Act request, litigation-related requests, etc.) for access to PHI, Business Associate shall immediately forward such request to Covered Entity.

G. Amendment of Protected Health Information

If Business Associate maintains a Designated Record Set on behalf of the Covered Entity, Business Associate shall make any amendment(s) to PHI in a Designated Record Set that the Covered Entity directs or agrees to, pursuant to 45 CFR Section 164.526, in the time and manner designated by the Covered Entity.

H. Access to Records

Business Associate shall make internal practices, books, and records, including policies and procedures and PHI, relating to the use, access and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to the Secretary of the U.S. Department of Health and Human Services, in a time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy and Security Rules and patient confidentiality regulations. Anything provided to the Secretary shall also be provided to the Covered Entity upon Covered Entity's request.

I. Destruction of Protected Health Information

Upon termination of this Agreement, Business Associate shall return all PHI required to be retained by the Business Associate or its subcontractors, employees or agents on behalf of the Covered Entity. In the event the Business Associate determines that returning the PHI is not feasible, the Business Associate shall provide the Covered Entity with written notification of the conditions that make return not feasible. Additionally, the Business Associate must follow established policies and procedures to ensure PHI is safeguarded and disposed of adequately in accordance with 45 C.F.R. section 164.310, and must submit to the Covered Entity a certification of destruction of PHI. For destruction of ePHI, the National Institute of Standards and Technology (NIST) guidelines must be followed, as well as 42 CFR Part 2.16 (a)(2)(ii) if applicable. Business Associate further agrees to extend any and all protections, limitations, and restrictions contained in this Agreement, to any PHI retained by Business Associate or its subcontractors, employees or agents after the termination of this Agreement, and to limit any further use, access or disclosures.

J. Breach Pattern or Practice by Covered Entity

Pursuant to 42 U.S.C. Section 17934(b), if the Business Associate knows of a pattern of activity or practice of the Covered Entity that constitutes a material Breach or violation of the Covered Entity's obligations under this Agreement, the Business Associate must take reasonable steps to cure the Breach or end the violation. If the steps are unsuccessful, the Business Associate must terminate the Agreement if feasible, or if termination is not feasible, report the problem to the Secretary of DHHS.

K. Costs Associated to Breach

Business Associate shall be responsible for reasonable costs associated with a Breach. Costs shall be based upon the required notification type as deemed appropriate and necessary by the Covered Entity and shall not be reimbursable under the Agreement at any time. Covered Entity shall determine the method to invoice the Business Associate for said costs. Costs shall incur at the current rates and may include, but are not limited to the following:

1. Postage;
2. Alternative means of notice;

3. Media notification; and
4. Credit monitoring services.

L. Direct Liability

Business Associate may be held directly liable under HIPAA for impermissible uses and disclosures of PHI; failure to provide breach notification to Covered Entity; failure to provide access to a copy of Electronic PHI to covered entity or individual; failure to disclose PHI to the Secretary of the U.S. Department of Health and Human Services when investigating Business Associate's compliance with HIPAA; failure to provide an accounting of disclosures and failure to enter into a business associate agreement with subcontractors.

M. Termination for Cause

Covered Entity may, upon written notice to Business Associate, immediately terminate this agreement, and any related agreements, if Covered Entity determines that Business Associate has breached a material term of this agreement. Covered Entity may, upon written notice to Business Associate, allow Business Associate five (5) business days to cure such breach.

N. Judicial or Administrative Proceedings

Covered Entity may terminate the Contract, effective immediately, if (i) Business Associate is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the Privacy Rule, Security Rule or other security or privacy laws or (ii) a finding or stipulation is made in any administrative or civil proceeding in which the Business Associate has been joined that the Business Associate has violated any standard or requirement of HIPAA, the HITECH Act, the Privacy Rule, Security Rule or other security or privacy laws.

O. Insurance

In addition to any general and/or professional liability insurance coverage required of Business Associate under the Contract for services, Business Associate shall provide appropriate liability insurance coverage during the term of this Agreement to cover any and all claims, causes of action, and demands whatsoever made for loss, damage, or injury to any person arising from the breach of the security, privacy, or confidentiality obligations of Business Associate, its agents or employees, under this Agreement and under HIPAA 45 C.F.R. Parts 160 and 164, Subparts A and E.

P. Assistance in Litigation or Administrative Proceedings

Business Associate shall make itself, and any subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under the Agreement, available to Covered Entity, at no cost to Covered Entity, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against Covered Entity, its directors, officers, or employees based upon a claimed violation of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule, or other laws relating to security and privacy, except where Business Associate or its subcontractor, employee or agent is a named adverse party

III. Obligations of Covered Entity

- A. Covered Entity shall notify Business Associate of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 CFR Section 164.520, to the extent that such limitation may affect Business Associate's use, access or disclosure of PHI.

- B. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an individual to use, access or disclose PHI, to the extent that such changes may affect Business Associate's use, access, maintenance or disclosure of PHI.
- C. Covered Entity shall notify Business Associate of any restriction to the use, access or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR Section 164.522, to the extent that such restriction may affect Business Associate's use, access, maintenance or disclosure of PHI.

#### IV. General Provisions

##### A. Remedies

Business Associate agrees that Covered Entity shall be entitled to seek immediate injunctive relief as well as to exercise all other rights and remedies which Covered Entity may have at law or in equity in the event of an unauthorized use, access or disclosure of PHI by Business Associate or any agent or subcontractor of Business Associate that received PHI from Business Associate.

##### B. Ownership

The PHI shall be and remain the property of the Covered Entity. Business Associate agrees that it acquires no title or rights to the PHI.

##### C. Regulatory References

A reference in this Agreement to a section in the Privacy and Security Rules and patient confidentiality regulations means the section as in effect or as amended.

##### D. No Third-Party Beneficiaries

Nothing express or implied in the Contract or this Agreement is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

##### E. Amendment

The parties acknowledge that state and federal laws related to privacy and security of PHI are rapidly evolving and that amendment of the Contract or this Agreement may be required to ensure compliance with such developments. The parties shall negotiate in good faith to amend this Agreement when and as necessary to comply with applicable laws. If either party does not agree to so amend this Agreement within thirty (30) days after receiving a request for amendment from the other, either party may terminate the Agreement upon written notice. To the extent an amendment to this Agreement is required by law and this Agreement has not been so amended to comply with the applicable law in a timely manner, the amendment required by law shall be deemed to be incorporated into this Agreement automatically and without further action required by either of the parties. Subject to the foregoing, this Agreement may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed and agreed to by Business Associate and Covered Entity.

##### F. Interpretation

Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with pertinent Privacy and Security Rules and patient confidentiality regulations.

G. Indemnification

Business Associate agrees to indemnify, defend and hold harmless Covered Entity and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, penalties, injuries, costs and expenses (including costs for reasonable attorney fees) that are caused by or result from the acts or omissions of Business Associate, its officers, employees, agents and subcontractors, with respect to the use, access, maintenance or disclosure of Covered Entity's PHI, including without limitation, any Breach of PHI or any expenses incurred by Covered Entity in providing required Breach notifications.

H. Compliance with State Law

In addition to HIPAA and all applicable HIPAA Regulations, Business Associate acknowledges that Business Associate and Covered Entity may have confidentiality and privacy obligations under State law, including, but not limited to, the California Confidentiality of Medical Information Act [Cal. Civil Code §56, et seq. ("CMIA")] and WIC 5328. If any provisions of this Agreement or HIPAA Regulations or the HITECH Act conflict with CMIA or WIC section 5328 or any other California State law regarding the degree of protection provided for PHI and patient medical records, then Business Associate shall comply with the more restrictive requirements.

I. Survival

The respective rights and obligations and rights of Covered Entity and Business Associate relating to protecting the confidentiality or a patient's PHI shall survive the termination of the Contract or this Agreement.

**REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE  
HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD  
OF ACTION**

**May 12, 2020**

**FROM**

**MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino**

**SUBJECT**

Regular Meeting Minutes for Meeting Held on April 14, 2020

**RECOMMENDATION(S)**

Approve the meeting minutes for the Board of Commissioners of the Housing Authority of the County of San Bernardino Regular Meeting held on April 14, 2020.  
(Presenter: Maria Razo, Executive Director, 332-6305)

**GOALS & OBJECTIVES**

**HACSB communication is open, honest and consistent.**

**FINANCIAL IMPACT**

Approval of this item will not result in a financial impact to the Housing Authority of the County of San Bernardino (HACSB) as there are no financial impacts associated with this item.

**BACKGROUND INFORMATION**

The HACSB Board of Commissioners (Board) Regular Meeting took place on April 14, 2020, and attached are the comprehensive minutes for review and approval by the Board.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by Legal Counsel (Julie J. Surber, Principal Assistant County Counsel, 387-5455) on April 23, 2020.

**MINUTES OF A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF  
THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO  
April 14, 2020**

The Board of Commissioners of the Housing Authority of the County of San Bernardino met in a regular meeting via teleconference and videoconference (Zoom at call-in number (669) 900-6833, Meeting ID 538 088 6900, Password 133570) at 3:00 p.m. on April 14, 2020.

The meeting was called to order, and upon roll call, the following were present:

Commissioner Johnson  
Commissioner Cooper  
Commissioner MacDuff  
Commissioner Pinedo  
Commissioner Tarango  
Commissioner Miller

Also in attendance were: Maria Razo, Executive Director; Gus Joslin, Deputy Executive Director; Ana Gamiz, Director of Policy & Public Relations; Rishad Mitha, Director of Operations; Jennifer Dawson, Director of Human Resources; Jesse Diaz, Finance Manager; Ron Ruhl, Real Estate Development Manager; Angie Lardapide, Procurement and Contracts Supervisor; Kristin Maithonis, Assistant Director of Housing Services; George Silva, Housing Services Supervisor; Renee Kangas, Management Analyst; Nicole Beydler, Sr. Management Analyst and Claudia Hurtado, Executive Assistant.

Also present: Julie Surber, Legal Counsel to the Housing Authority.

The Chairman called for additions or deletions to the April 14, 2020 agenda.

Executive Director requested a revision to the agenda for item number 5, the correct increase amount of the contract No. PC990 with Applied Real Estate Analysis, Inc. for local rental housing is \$31,118, not \$321,118 as stated on the agenda. Commissioner MacDuff also requested a revision to the agenda on item number 5, the misspelling of the vendors name, the correct spelling is Applied Real Estate Analysis, Inc. and not Applies Real Estate Analysis, Inc. as stated on the agenda.

The Chairman provided an opportunity for members of the public to address the Board of Commissioners. Secretary of the Board, declared that no public comment had been submitted.

The Executive Director's Report was requested.

Maria Razo, Executive Director gave the Executive Director's Report.

Approval for discussion calendar item number 5, to be continued from Tuesday, March 10 2020, Item No. 9 and recommended to be taken off calendar - 1) Approve Amendment No. 3 to Contract No. PC990 with Applied Real Estate Analysis, Inc. for local rental housing submarket analysis services increasing the current contract amount by \$31,118 for a total contract amount not to exceed \$122,986.70. 2) Authorize and direct the Executive Director to execute and deliver the contract amendment to Applied Real Estate Analysis, Inc., and, upon consultation with Legal

Counsel, to approve any non-substantive revisions necessary to complete the transaction, was requested.

Executive Director explained the item.

Commissioner Johnson moved item number 5 to be continued from Tuesday, March 10 2020, Item No. 9 and recommended to be taken off calendar - 1) Approve Amendment No. 3 to Contract No. PC990 with Applied Real Estate Analysis, Inc. for local rental housing submarket analysis services increasing the current contract amount by \$31,118 for a total contract amount not to exceed \$122,986.70. 2) Authorize and direct the Executive Director to execute and deliver the contract amendment to Applied Real Estate Analysis, Inc., and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction, which motion was duly seconded by Commissioner Miller, and upon roll call, the Ayes and Nays were as follows:

Ayes

Commissioner Johnson  
Commissioner Cooper  
Commissioner MacDuff  
Commissioner Pinedo  
Commissioner Tarango  
Commissioner Miller

Nays

Approval for the discussion calendar item number 6, to be continued from Tuesday, March 10, 2020, Item No. 11 and recommended to be taken off calendar - Adopt Resolution No. 79 approving the establishment of a Section 115 Trust administered by Public Agency Retirement Services for the Housing Authority of the County of San Bernardino's unfunded pension liabilities, was requested.

Executive Director explained the item.

Commissioner Miller moved to approved the discussion calendar item number 6, to be continued from Tuesday, March 10, 2020, Item No. 11 and recommended to be taken off calendar - Adopt Resolution No. 79 approving the establishment of a Section 115 Trust administered by Public Agency Retirement Services for the Housing Authority of the County of San Bernardino's unfunded pension liabilities, which motion was duly seconded by Commissioner MacDuff, and upon roll call, the Ayes and Nays were as follows:

Ayes

Commissioner Johnson  
Commissioner Cooper  
Commissioner MacDuff  
Commissioner Pinedo  
Commissioner Tarango  
Commissioner Miller

Nays



Approval for the discussion calendar item number 7, to Adopt Resolution No. 83 approving, effective April 3, 2020, the Housing Authority of the County of San Bernardino's Annual Moving to Work Plan for Fiscal Year 2019-2020, Amendment 2, to implement temporary operational flexibilities in response to the current COVID-19 pandemic, was requested.

Executive Director explained the item.

Commissioner Miller moved to approve the discussion calendar item number 7, to adopt Resolution No. 83 approving, effective April 3, 2020, the Housing Authority of the County of San Bernardino's Annual Moving to Work Plan for Fiscal Year 2019-2020, Amendment 2, to implement temporary operational flexibilities in response to the current COVID-19 pandemic, which motion was duly seconded by Commissioner Tarango, and upon roll call, the Ayes and Nays were as follows:

Ayes

Commissioner Johnson  
Commissioner Cooper  
Commissioner MacDuff  
Commissioner Pinedo  
Commissioner Tarango  
Commissioner Miller

Nays

Approval for discussion calendar item number 8, to 1) Adopt Resolution No. 84 authorizing the Executive Director and designees to waive internal policies and modify operations as necessary in response to the COVID-19 global pandemic, retroactive to March 4, 2020 as proclaimed a State of Emergency by the Governor of the State of California, 2) Direct the Executive Director to create and deliver to the Board of Commissioners a summary report of all instances where this waiver is utilized specifying policies waived including reason for, and estimated financial impact of. Such report to be included in each board meeting agenda for the duration of the State of California emergency declaration, was requested.

Executive Director explained the item.

Commissioner Miller moved to approve the discussion calendar item number 8, to 1) Adopt Resolution No. 84 authorizing the Executive Director and designees to waive internal policies and modify operations as necessary in response to the COVID-19 global pandemic, retroactive to March 4, 2020 as proclaimed a State of Emergency by the Governor of the State of California, 2) Direct the Executive Director to create and deliver to the Board of Commissioners a summary report of all instances where this waiver is utilized specifying policies waived including reason for, and estimated financial impact of. Such report to be included in each board meeting agenda for the duration of the State of California emergency declaration, which motion was duly seconded by Commissioner Johnson, and upon roll call, the Ayes and Nays were as follows:

Ayes

Commissioner Johnson  
Commissioner Cooper

Nays

Commissioner MacDuff  
Commissioner Pinedo  
Commissioner Tarango  
Commissioner Miller

Approval for discussion calendar item number 9, to 1) Approve Amendment No. 4 to Contract No. PC813 with CohnReznick, LLP for Financial Auditor Services, increasing the current contract amount by \$86,500 for a total contract amount not to exceed \$426,600, 2) Authorize and direct the Executive Director to execute and deliver the contract amendment to CohnReznick, LLP and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction, was requested.

Commissioner MacDuff moved to approve the discussion calendar item number 9, to 1) Approve Amendment No. 4 to Contract No. PC813 with CohnReznick, LLP for Financial Auditor Services, increasing the current contract amount by \$86,500 for a total contract amount not to exceed \$426,600, 2) Authorize and direct the Executive Director to execute and deliver the contract amendment to CohnReznick, LLP and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction, which motion was duly seconded by Commissioner Miller, and upon roll call, the Ayes and Nays were as follows:

Ayes

Commissioner Johnson  
Commissioner Cooper  
Commissioner MacDuff  
Commissioner Pinedo  
Commissioner Tarango  
Commissioner Miller

Nays

Approval of consent calendar items 11 through 12, to 1) approve the meeting minutes for the Board of Commissioners of the Housing Authority of the County of San Bernardino Regular Meeting held on March 10, 2020, 2) approve and file Agency-wide Financial Statements through December 2019, was requested.

Commissioner Miller moved to approve the consent calendar items number 11 through 12, to 1) approve the meeting minutes for the Board of Commissioners of the Housing Authority of the County of San Bernardino Regular Meeting held on March 10, 2020, 2) approve and file Agency-wide Financial Statements through December 2019, which motion was duly seconded by Commissioner Tarango, and upon roll call, the Ayes and Nays were as follows:

Ayes

Commissioner Johnson  
Commissioner Cooper  
Commissioner Pinedo  
Commissioner Tarango  
Commissioner Miller

Nays

Abstains

Commissioner MacDuff  
(as to item #11 only)

Commissioner MacDuff (as to item #12 only)

Chairman provided an opportunity for individual Board member comments. There were no comments.

There being no other business, Chairman moved for the regular meeting of Tuesday, April 14, 2020 to be adjourned, which motion was duly seconded by Commissioner Tarango, and upon roll call, the Ayes and Nays were as follows:

Ayes  
Commissioner Johnson  
Commissioner Cooper  
Commissioner MacDuff  
Commissioner Pinedo  
Commissioner Tarango  
Commissioner Miller

Nays

The meeting adjourned at 3:40 p.m.

\_\_\_\_\_  
Tim Johnson, Chair

\_\_\_\_\_  
Beau Cooper, Vice Chair

\_\_\_\_\_  
Cassie MacDuff

\_\_\_\_\_  
Sylvia Miller

Absent  
\_\_\_\_\_  
Jessie Muñoz

\_\_\_\_\_  
Dr. Ciriaco “Cid” Pinedo

\_\_\_\_\_  
Bobby Tarango

Attest:  
  
\_\_\_\_\_  
Secretary

**REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE  
HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD  
OF ACTION**

**May 12, 2020**

**FROM**

**MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino**

**SUBJECT**

Vacated Tenant Accounts for the Authority Owned Portfolio to be Written Off as Collection Loss for the Month Ending February 2020

**RECOMMENDATION(S)**

Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month ending in February 2020.

(Presenter: Maria Razo, Executive Director, 332-6305)

**GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**FINANCIAL IMPACT**

The accounts receivable losses for the month ending February 29, 2020 is \$21,482.57. The Housing Authority of the County of San Bernardino (HACSB) projects and anticipates collection losses in their annual budget. The monthly losses as detailed below are in line with the budgeted losses and historical trends.

**BACKGROUND INFORMATION**

On a monthly basis, HACSB records vacated tenant accounts for the Authority Owned Portfolio for the purpose of being written off to collection losses. The agency's Authority Owned Portfolio units are owned by HACSB and were either acquired or developed through a variety of partnerships with local governments and/or HACSB's non-profit affiliate Housing Partners I, Inc. Despite the agency's reasonable efforts to collect the debts listed in the attached reports, it has been determined that such debts are uncollectible. However, collection efforts will continue with the agency's contracted collection agency. As part of HACSB's standard property management business practices, Board of Commissioners approval is requested to write off these accounts as accounts receivable losses to the Authority Owned Portfolio. The total write off for the month of February 2020 is \$21,482.57 as delineated in the table below. Attached is a worksheet that itemizes the individual accounts.

<b>SUMMARY BY PROPERTY MANAGEMENT</b>		
<b>PROPERTY</b>	<b>NO. VACATED</b>	<b>TOTAL</b>
130 – Maplewood	1	\$760.00
403 – Summit Walk	1	\$492.00
407 – Sunset Pointe	4	(\$28.00)
408 – Sunrise Vista	3	\$5,948.00
409 – Andalusia	1	\$111.00
421 – A Avenue	1	(\$77.00)
423 – Mesa Gardens	1	\$317.00

<b>SUMMARY BY PROPERTY MANAGEMENT</b>		
<b>PROPERTY</b>	<b>NO. VACATED</b>	<b>TOTAL</b>
426 – Sunnyside	1	-
429 – Houses	1	\$1,605.00
433c – Stillman	1	-
434c – Bahia	1	-
439 – Hampton	1	-
467 - Hillcrest	2	\$429.00
Concessions Write Off		-
<b>TOTAL RENT WRITE OFF</b>	19	\$9,557.00
Miscellaneous Charges		\$1,775.00
Maintenance Charges		\$12,076.57
Legal Charges		\$3,500.00
Security Deposits Applied		(\$5,426.00)
<b>NET TOTAL WRITE OFF</b>		\$21,482.57

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by Legal Counsel (Julie J. Surber, Principal Assistant County Counsel, 387-5455) on April 23, 2020.

# Housing Authority of the County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End: 02/29/20

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
<b>130- Maplewood</b>													
1	Mickel	M.		E	224.00	760.00	-	50.00	1,800.00	650.00	3,260.00	300.00	2,960.00
							-				-		-
<b>TOTALS:</b>						<b>760.00</b>	<b>-</b>	<b>50.00</b>	<b>1,800.00</b>	<b>650.00</b>	<b>3,260.00</b>	<b>300.00</b>	<b>2,960.00</b>
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
1	14 Day Notice	12/16/19	P&M	01/28/20	02/12/20	N		NA	NA		02/24/20		

<b>403 - Summit Walk</b>													
1	R.	J.		S	1,475.00	492.00	-	1,525.00	1,124.00		3,141.00	1,435.00	1,706.00
							-				-		-
<b>TOTALS:</b>						<b>492.00</b>	<b>-</b>	<b>1,525.00</b>	<b>1,124.00</b>	<b>-</b>	<b>3,141.00</b>	<b>1,435.00</b>	<b>1,706.00</b>
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
1	Skip										02/10/20		

407 - Sunset Pointe													
2	S.	M.					-		(30.00)		(30.00)		(30.00)
3	S.	F.					-		(84.00)		(84.00)		(84.00)
4	H.	F.		S	825.00	(103.00)	-		1,035.03		932.03	100.00	832.03
5	W.	D.		V		75.00	-				75.00		75.00
							-				-		-
TOTALS:						(28.00)	-	-	921.03	-	893.03	100.00	793.03
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
2	Collection on bad debt												
3	Payment on bad debt												
4	Skip										02/08/20		
5	Adjustment to previous month write off												

\*Reasons: E=Eviction S=Skip V=Voluntary T=Terminated Tenancy \*\*Unpaid Misc. Stipulated agreements for rent maintenance charges, late charges, etc.

# Housing Authority of the County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End: 02/29/20

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
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<b>408 - Sunrise Vista</b>													
6	R.	H.		E	825.00	2,688.00	-		304.82	1,050.00	4,042.82	100.00	3,942.82
7	E.	S.		S	825.00	1,630.00	-		590.00		2,220.00	825.00	1,395.00
8	T.	C.		E	825.00	1,630.00	-		1,174.73	1,050.00	3,854.73	400.00	3,454.73
							-				-		-
							-			-	-		-
<b>TOTALS:</b>						<b>5,948.00</b>	<b>-</b>	<b>-</b>	<b>2,069.55</b>	<b>2,100.00</b>	<b>10,117.55</b>	<b>1,325.00</b>	<b>8,792.55</b>

Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date	Vacate Date
6	3 Day Pay or Quit	11/08/19	Posted	11/21/19	11/25/19	Y		01/09/20	02/05/20	02/05/20
7	Skip									02/24/20
8	3 Day Pay or Quit	10/15/19	Posted	10/25/19	11/04/19	Y		01/09/20	01/30/20	01/30/20

<b>409 - Andalusia</b>													
1	M.	K		S	332.00	111.00		150.00	2,183.99		2,444.99	399.00	2,045.99
							-				-		-
							-				-		-
							-				-		-
<b>TOTALS:</b>						<b>111.00</b>	<b>-</b>	<b>150.00</b>	<b>2,183.99</b>	<b>-</b>	<b>2,444.99</b>	<b>399.00</b>	<b>2,045.99</b>

Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date	Vacate Date
1	Skip									2/10/2020

<b>421 - A Avenue</b>													
9	E.	M.		T	990.00	(77.00)	-		444.00		367.00	300.00	67.00
							-				-		-
<b>TOTALS:</b>						<b>(77.00)</b>	<b>-</b>	<b>-</b>	<b>444.00</b>	<b>-</b>	<b>367.00</b>	<b>300.00</b>	<b>67.00</b>

Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date	Vacate Date
9	60 Day Notice	12/01/19	Posted							02/01/20

# Housing Authority of the County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End: 02/29/20

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
<b>423 - Mesa Gardens</b>													
10	A.	M.		V	875.00	317.00	-	-	796.00		1,113.00	742.00	371.00
<b>TOTALS:</b>						<b>317.00</b>	<b>-</b>	<b>-</b>	<b>796.00</b>	<b>-</b>	<b>1,113.00</b>	<b>742.00</b>	<b>371.00</b>
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
	30 Day Notice	02/03/20									02/10/20		

426 - Sunnyside													
11	A.	C.							(300.00)		(300.00)		(300.00)
											-		-
TOTALS:						-	-	-	(300.00)	-	(300.00)	-	(300.00)
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
11	Payment on bad debt												

<b>429 - Houses</b>													
12	F.	S.		S	1,350.00	1,605.00			895.00		2,500.00	400.00	2,100.00
<b>TOTALS:</b>						<b>1,605.00</b>	<b>-</b>	<b>-</b>	<b>895.00</b>	<b>-</b>	<b>2,500.00</b>	<b>400.00</b>	<b>2,100.00</b>
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
12	Skip										02/04/20		

433c - Stillman													
13	J.	S.							(530.00)		(530.00)		(530.00)
											-		-
TOTALS:						-	-	-	(530.00)	-	(530.00)	-	(530.00)
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
13	Payment on bad debt												



# Housing Authority of the County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End: 02/29/20

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
434c - Bahia													
14	G.ez	D.							(60.00)		(60.00)		(60.00)
											-		-
TOTALS:						-	-	-	(60.00)	-	(60.00)	-	(60.00)
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
14	Collection on bad debt												

439 - Hampton													
15	J.	T.		E			-		1,094.00		1,094.00		1,094.00
							-				-		-
TOTALS:						-	-	-	1,094.00	-	1,094.00	-	1,094.00
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
15	Adjustment to previous month write off												

467 - Hillcrest													
16	B.	K.							(150.00)		(150.00)		(150.00)
17	B.	W.		E	643.00	429.00		50.00	1,789.00	750.00	3,018.00	425.00	2,593.00
TOTALS:					429.00		-	50.00	1,639.00	750.00	2,868.00	425.00	2,443.00
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
16	Payment on bad debt												
17	60 Day Notice	12/16/19	Posted	02/11/20	02/14/20	N		N/A	turned in keys to avoid eviction		02/20/20		

<b>ALL PROPERTY TOTALS:</b>						9,557.00	-	1,775.00	12,076.57	3,500.00	26,908.57	5,426.00	21,482.57
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Submitted by:

Date:

Reviewed by:

Date:

\*Reasons:

E=Eviction

S=Skip

V=Voluntary

T=Terminated Tenancy

\*\*Unpaid Misc.:

Stipulated agreements for rent, maintenance charges, late charges, etc.

**REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE  
HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD  
OF ACTION**

**May 12, 2020**

**FROM**

**MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino**

**SUBJECT**

Vacated Tenant Accounts for the Authority Owned Portfolio to be Written Off as Collection Loss for the Month Ending March 2020

**RECOMMENDATION(S)**

Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month ending in March 2020.

(Presenter: Maria Razo, Executive Director, 332-6305)

**GOALS & OBJECTIVES**

**Operate in a Fiscally-Responsible and Business-Like Manner.**

**FINANCIAL IMPACT**

The accounts receivable losses for the month ending March 31, 2020 is \$26,733.51. The Housing Authority of the County of San Bernardino (HACSB) projects and anticipates collection losses in their annual budget. The monthly losses as detailed below are in line with the budgeted losses and historical trends.

**BACKGROUND INFORMATION**

On a monthly basis, HACSB records vacated tenant accounts for the Authority Owned Portfolio for the purpose of being written off to collection losses. The agency's Authority Owned Portfolio units are owned by HACSB and were either acquired or developed through a variety of partnerships with local governments and/or HACSB's non-profit affiliate Housing Partners I, Inc. Despite the agency's reasonable efforts to collect the debts listed in the attached reports, it has been determined that such debts are uncollectible. However, collection efforts will continue with the agency's contracted collection agency. As part of HACSB's standard property management business practices, Board of Commissioners approval is requested to write off these accounts as accounts receivable losses to the Authority Owned Portfolio. The total write off for the month of March 2020 is \$26,733.51 as delineated in the table below. Attached is a worksheet that itemizes the individual accounts.

<b>SUMMARY BY PROPERTY MANAGEMENT</b>		
<b>PROPERTY</b>	<b>NO. VACATED</b>	<b>TOTAL</b>
130 – Maplewood	2	\$3,412.00
161 – Colton	1	\$5,500.00
170 – Barstow	2	\$211.50
407 – Sunset Pointe	1	\$870.00
408 – Sunrise Vista	4	\$3,836.74
416 – Arrowhead Woods	2	-
423 – Mesa Gardens	1	-

<b>SUMMARY BY PROPERTY MANAGEMENT</b>		
<b>PROPERTY</b>	<b>NO. VACATED</b>	<b>TOTAL</b>
426 – Sunnyside	1	\$4,901.00
432a – Van Leuven 14	1	\$218.00
434c – Bahia	1	-
467 - Hillcrest	1	-
8108 – Arrowhead commons	1	\$1,113.00
Concessions Write Off		-
<b>TOTAL RENT WRITE OFF</b>	18	\$20,062.24
Miscellaneous Charges		\$969.84
Maintenance Charges		\$8,885.43
Legal Charges		\$4,660.00
Security Deposits Applied		(\$7,844.00)
<b>NET TOTAL WRITE OFF</b>		\$26,733.51

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by Legal Counsel (Julie J. Surber, Principal Assistant County Counsel, 387-5455) on April 22, 2020.

# Housing Authority of the County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End:

03/31/20

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
<b>130- Maplewood</b>													
1	C.	R.		E	\$601.00	\$601.00	-	97.00	986.38	875.00	\$2,559.38	850.00	1,709.38
	L.	M.		E	\$601.00	\$2,811.00	-	731.00		650.00	\$4,192.00	993.00	3,199.00
<b>TOTALS:</b>						<b>3,412.00</b>	<b>-</b>	<b>828.00</b>	<b>986.38</b>	<b>1,525.00</b>	<b>6,751.38</b>	<b>1,843.00</b>	<b>4,908.38</b>
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
1	14 Day Notice	12/16/19	P&M	01/14/20	02/03/20	Y		02/24/20	03/13/20		03/13/20		
2	14 Day Notice	12/16/19	P&M	01/15/20	02/03/20	N		NA	3/4/2020		3/4/2020		

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
<b>161- Colton</b>													
1	M.	F.		E	1,809.00	5,500.00	-	50.00	373.00	875.00	6,798.00	500.00	6,298.00
							-				-		-
<b>TOTALS:</b>						<b>5,500.00</b>	<b>-</b>	<b>50.00</b>	<b>373.00</b>	<b>875.00</b>	<b>6,798.00</b>	<b>500.00</b>	<b>6,298.00</b>
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
1	14 Day Notice	12/06/19	P&M	12/20/19	01/03/20	Y		01/06/20	02/20/20		03/25/20		

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
<b>170- Barstow</b>													
1	H.	A.		T	406.00	40.86	-	44.42	1,362.34	-	1,447.62	727.00	720.62
2	D.	M.		Deceased	223.00	170.64	-	-	315.00	-	485.64	250.00	235.64
<b>TOTALS:</b>						<b>211.50</b>	<b>-</b>	<b>44.42</b>	<b>1,677.34</b>	<b>-</b>	<b>1,933.26</b>	<b>977.00</b>	<b>956.26</b>
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
1	3 Day Notice	02/05/20	P&M	NA	NA	NA		NA	NA		03/03/20		

\*Reasons: E=Evictions S=Skip V=Voluntary T=Terminated Tenancy \*\*Unpaid Misc. Syipulated agreements for rent, maintenance charges,late charges, etc.

# Housing Authority of the County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End:

03/31/20

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
<b>407 - Sunset Pointe</b>													
1	L.	L.		S	725.00	870.00	-		1,003.71		1,873.71	100.00	1,773.71
							-				-		-
<b>TOTALS:</b>						<b>870.00</b>	-	-	<b>1,003.71</b>	-	<b>1,873.71</b>	<b>100.00</b>	<b>1,773.71</b>
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
1	Skip										03/02/20		

<b>408 - Sunrise Vista</b>													
2	F.	S.					-		(100.00)		(100.00)		(100.00)
3	P.	J.		S	856.00	945.00	-		199.00		1,144.00	500.00	644.00
4	A.	E.		V	825.00	186.00	-		503.00		689.00	400.00	289.00
5	Y.	D.		E	825.00	2,705.74	-	47.42	800.00	750.00	4,303.16	399.00	3,904.16
							-			-	-		-
<b>TOTALS:</b>						<b>3,836.74</b>	-	<b>47.42</b>	<b>1,402.00</b>	<b>750.00</b>	<b>6,036.16</b>	<b>1,299.00</b>	<b>4,737.16</b>
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
2	Payment on bad debt												
3	Skip										03/03/20		
4	30 Day Notice	03/01/20									03/11/20		
5	3 Day Pay or Quit	12/06/19	Posted	12/17/19	12/20/19	N		N/A	03/03/20		03/03/20		

<b>416 - Arrowhead Woods</b>													
6	G.	B.					-		(265.00)		(265.00)		(265.00)
6	T.	B.		V	875.00	-	-		610.00		610.00	400.00	210.00
<b>TOTALS:</b>						-	-	-	<b>345.00</b>	-	<b>345.00</b>	<b>400.00</b>	<b>(55.00)</b>
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
6	Payment on bad debt												
6	30 Day Notice	02/04/20									02/29/20		

\*Reasons: E=Evictions S=Skip V=Voluntary T=Terminated Tenancy \*\*Unpaid Misc. Syipulated agreements for rent, maintenance charges, late charges, etc.

# Housing Authority of the County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End:

03/31/20

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
<b>423 - Mesa Gardens</b>													
7	L.	L.		V	1,075.00	-	-	-	453.00		453.00	400.00	53.00
<b>TOTALS:</b>						-	-	-	453.00	-	453.00	400.00	53.00
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
7	30 Day Notice	01/31/20									02/29/20		

<b>426 - Sunnyside</b>													
8	G.	M.		E	1,325.00	4,901.00			1,205.00	750.00	6,856.00	1,325.00	5,531.00
											-		-
<b>TOTALS:</b>						4,901.00	-	-	1,205.00	750.00	6,856.00	1,325.00	5,531.00
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
8	3 Day Pay or Quit	12/06/19	Posted	12/31/19	01/17/20	N		N/A	03/17/20		03/17/20		

<b>432a - Van Leuven 14</b>													
9	N.	T.		V	1,265.00	218.00			400.00		618.00	400.00	218.00
											-		-
<b>TOTALS:</b>						218.00	-	-	400.00	-	618.00	400.00	218.00
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
9	30 Day Notice	02/11/20									03/11/20		

\*Reasons: E=Evictions S=Skip V=Voluntary T=Terminated Tenancy \*\*Unpaid Misc. Syipulated agreements for rent, maintenance charges,late charges, etc.

# Housing Authority of the County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End:

03/31/20

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
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434c - Bahia														
10	G.	D.								(30.00)		(30.00)		(30.00)
												-		-
TOTALS:						-	-	-	(30.00)	-	(30.00)	-	(30.00)	
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date			Vacate Date		
10	Collection on bad debt													

467 - Hillcrest													
11	B.	K.								50.00		50.00	50.00
TOTALS:						-	-	-	50.00	-	50.00	-	50.00
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
11	NSF on bad debt payment												

<b>8108 - Arrowhead Commons</b>													
12	C.	M.		E	925.00	1,113.00			1,020.00	760.00	2,893.00	600.00	2,293.00
											-		-
<b>TOTALS:</b>						1,113.00	-	-	1,020.00	760.00	2,893.00	600.00	2,293.00
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
12	3 Day Pay or Quit	11/06/19	Posted	11/16/19	11/16/19	N		N/A	02/19/20		02/19/20		

<b>ALL PROPERTY TOTALS:</b>						20,062.24	-	969.84	8,885.43	4,660.00	34,577.51	7,844.00	26,733.51
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Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_ Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

\*Reasons: E=Eviction S=Skip V=Voluntary T=Terminated Tenancy \*\*Unpaid Misc.:

Stipulated agreements for rent, maintenance charges, late charges, etc.

# **REPORT/RECOMMENDATION TO THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION**

**May 12, 2020**

## **FROM**

**MARIA RAZO, Executive Director, Housing Authority of the County of San Bernardino**

## **SUBJECT**

Agency-wide Financial Statements through January 2020

## **RECOMMENDATION(S)**

Approve and file Agency-wide Financial Statements through January 2020.  
(Presenter: Maria Razo, Executive Director, 332-6305)

## **GOALS & OBJECTIVES**

**HACSB has secured the resources needed for accomplishing its mission.**

## **FINANCIAL IMPACT**

The Housing Authority of the County of San Bernardino's (HACSB) year-to-date agency-wide net loss through January 2020 for Federal Fiscal Year (FFY) 2019-20 is \$(1,120,101). The net loss of \$(1,120,101) is currently less than the anticipated \$714,000 gain in funding primarily due to:

- Housing Assistance Payment expenses were significantly higher due to an increased cost per unit.
- Depreciation expense reflected on a monthly basis is not included in the annual budget.
- Physical Needs Assessment and Capital Fund project expenses that were lower than expected, which also lowered the amount of Capital Fund grant income that was recognized. This is primarily due to the timing of these expenses which will occur later this year.
- Administrative and maintenance expenses were lower due to vacant positions, which we expect to fill later in the year.

<b>Financial Summary</b>	<b>FY 2020 YTD</b>
Revenues	\$49,239,569
Expenses	\$48,402,867
Operating Gain	\$ 836,702
Operating Transfers/Non-Operating Items	\$(1,956,803)
<b>Net Income/(Loss)</b>	<b>\$(1,120,101)</b>

## **BACKGROUND INFORMATION**

HACSB administers multiple housing programs and is the largest provider of affordable housing in the County of San Bernardino. The FFY 2019-20 budget and financial operations continue to support the vision and mission of HACSB and are in line with its Strategic Plan and Moving to Work Annual Plans. Overall, HACSB has demonstrated fiscal stability even though the primary funding provider, the United States Department of Housing and Urban Development (HUD), has significantly decreased funding each year while expecting full program utilization. FFY 2019-20 continues to be another challenging year due to the following:



- Anticipated federal funding cuts to the Housing Choice Voucher (HCV) program, Administrative Fees, Public Housing Subsidy and Capital Funds.
- Expected reserve drawdowns in order to balance the FFY budget for the HCV program due to rental assistance costs exceeding funding. HACSB is currently working with HUD on this matter. A drawdown of HUD held reserves has been processed and received in April 2020 to offset the increase in Housing Assistance Payments (HAP) expenses through December 2019.
- Additional projections are also underway to forecast COVID-19 related expenditures and income losses, including related increases to the housing assistance payments for the voucher programs and rental income loss.
- Maintenance of aging properties is extremely costly, but it is needed to preserve much needed affordable housing in the County.

Based on HUD's guidance to routinely present key information to HACSB's Board of Commissioners, HACSB is presenting the financial statements on a monthly basis.

#### **PROCUREMENT**

Not applicable.

#### **REVIEW BY OTHERS**

This item has been reviewed by Legal Counsel (Julie J. Surber, Principal Assistant County Counsel, 387-5455) on April 23, 2020.

## HACSB Budget Comparison

Period = Oct 2019-Jan 2020

	YTD Actual	YTD Budget	Variance	% Var	Annual
INCOME					
TENANT INCOME					
Total Rental Income	8,675,525	8,513,678	161,847	1.90	25,890,742
Total Other Tenant Income	233,512	192,917	40,594	21.04	578,752
NET TENANT INCOME	8,909,036	8,706,595	202,441	2.33	26,469,494
GRANT INCOME					
TOTAL GRANT INCOME	38,702,809	41,328,338	-2,625,528	-6.35	123,414,095
OTHER INCOME					
TOTAL OTHER INCOME	1,627,723	2,714,413	-1,086,690	-40.03	5,639,874
TOTAL INCOME	49,239,569	52,749,346	-3,509,777	-6.65	155,523,464
EXPENSES					
GRANT EXPENSES					
TOTAL GRANT EXPENSES	2,244,560	2,034,074	-210,486	-10.35	6,102,222
ADMINISTRATIVE					
Total Administrative Salaries	3,962,453	4,494,522	532,069	11.84	13,511,215
Total Legal Expense	61,709	115,242	53,533	46.45	345,727
Total Other Admin Expenses	2,035,870	1,824,906	-210,964	-11.56	5,646,658
Total Miscellaneous Admin Expenses	898,813	1,277,505	378,693	29.64	2,938,056
TOTAL ADMINISTRATIVE EXPENSES	6,958,845	7,712,176	753,330	9.77	22,441,656
TENANT SERVICES					
TOTAL TENANT SERVICES EXPENSES	79,305	130,484	51,179	39.22	389,453
UTILITIES					
TOTAL UTILITY EXPENSES	1,047,975	1,213,494	165,519	13.64	3,640,484
MAINTENANCE AND OPERATIONS					
Total General Maint Expense	816,504	956,718	140,214	14.66	2,869,153
Total Materials	252,248	290,425	38,177	13.15	871,275
Total Contract Costs	955,272	1,496,837	541,565	36.18	4,485,145
TOTAL MAINTENANCE EXPENSES	2,024,024	2,743,980	719,956	26.24	8,225,573
GENERAL EXPENSES					
TOTAL GENERAL EXPENSES	419,628	406,346	-13,282	-3.27	1,241,332
EXTRAORDINARY MAINTENANCE EXPENSES					
TOTAL EXTRAORDINARY MAINTENANCE EXPENSES	461,152	4,802,582	4,341,430	90.40	14,767,546
HOUSING ASSISTANCE PAYMENTS					
TOTAL HOUSING ASSISTANCE PAYMENTS	34,610,873	32,163,631	-2,447,242	-7.61	97,841,355
FINANCING EXPENSE					
TOTAL FINANCING EXPENSES	556,505	542,628	-13,877	-2.56	1,627,884
TOTAL OPERATING EXPENSES	48,402,867	51,749,395	3,346,529	6.47	156,277,505
<b>OPERATING NET INCOME</b>	<b>836,702</b>	<b>999,950</b>	<b>-163,248</b>	<b>-16.33</b>	<b>-754,041</b>
NET OPERATING TRANSFER IN/OUT	0	285,783	285,783	100.00	285,783
NON-OPERATING ITEMS					
TOTAL NON-OPERATING ITEMS	1,956,803	0	-1,956,803	N/A	0
NET INCOME	-1,120,101	714,167	-1,834,268	-256.84	-1,039,824