

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

TO BE HELD TELEPHONICALLY  
April 13, 2021 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: 895 2123 7016  
Password: 903167

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 <https://hacsb.com/board-of-commissioners/> 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 <https://hacsb.com/board-of-commissioners/> 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 for March 9, 2021. (Page 1)
- 5) Receive the board building presentation for April 13, 2021, regarding an overview of the Loma Linda University benchmark report for the Golden Apartments community and the Housing Authority of the County of San Bernardino's housing development pipeline update. (Page 2)
- 6) Discuss the Housing Authority of the County of San Bernardino's homeless permanent supportive housing initiatives and provide input. (Pages 3-8)
- 7) Discuss the Housing Authority of the County of San Bernardino's housing development pipeline and provide input. (Pages 9)
- 8)
  - 1 – Approve Amendment No. 3 to non-financial Memorandum of Understanding with the San Bernardino County Department of Behavioral Health for the Veterans Housing Initiative Program, updating contractual language, and extending the term one additional year through June 30, 2022.
  - 2 – Authorize and direct the Executive Director to execute and deliver the contract amendment to the County of San Bernardino, and upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction. (Pages 10-14)
- 9) Adopt Resolution No. 109 approving revisions to the Housing Authority of the County of San Bernardino's Employee Personnel Handbook. (Pages 15-24)
- 10) Adopt Resolution No. 110 approving revisions to the Administrative Plan governing the Housing Authority of the County of San Bernardino's rental assistance programs. (Pages 25-36)
- 11)
  - 1 – Approve Amendment No. 5 to Contract No. PC990, effective May 1, 2021, with Applied Real Estate Analysis, Inc., for local rental housing submarket analysis services increasing the current contract amount by \$33,295 for a total contract amount not to exceed \$156,281.70 through February 22, 2022 with the option to extend for one additional one-year term through February 22, 2023.
  - 2 – Update to the scope of work to revise deliverable deadline dates for the draft and final report.
  - 3 – 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. (Pages 37-44)
- 12)
  - 1 – Approve Amendment No. 3 to Contract No. PC963, effective May 1, 2021, with Wells Fargo Bank N.A. for Banking Services, increasing the current contract amount by \$121,136.28 for a total contract amount not to exceed \$334,536.30 and extending the contract through January 31, 2022, with the option to extend for one additional one-year term through January 31, 2023.

2 – Authorize and direct the Executive Director to execute and deliver the contract amendment to Wells Fargo Bank N.A. and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction. (Pages 45-57)

## **CONSENT CALENDAR**

### APPROVAL OF CONSENT ITEMS: # 13 - 15

- 13) Approve the meeting minutes for the Board of Commissioners of the Housing Authority of the County of San Bernardino Regular Meeting held on March 9, 2021. (Pages 58-64)
- 14) Approve and file Agency-wide Financial Statements through December 2020. (Pages 65-67)
- 15) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month ending in January 2021. (Pages 68-72)
- 16) Individual Board member Comments
- 17) 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 agenda items in court, you may be limited to raising only those issues you or someone else raised during the public testimony period regarding that agenda item 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**

**April 13, 2021**

**FROM**

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

**SUBJECT**

Executive Director's Report for April 13, 2021

**RECOMMENDATION(S)**

Receive the Executive Director's Report for April 13, 2021.  
(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.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on March 29, 2021.

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

**April 13, 2021**

**FROM**

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

**SUBJECT**

Board Building Presentation for April 13, 2021

**RECOMMENDATION(S)**

Receive the board building presentation for April 13, 2021, regarding an overview of the Loma Linda University benchmark report for the Golden Apartments community and the Housing Authority of the County of San Bernardino's housing development pipeline update.  
(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**

Per the United States Department of Housing and Urban Development (HUD) Commissioner Lead the Way Training, board building is required to provide the Board of Commissioners with information regarding ongoing initiatives of HACSB's strategic plan, Moving to Work (MTW) activities, overall agency updates, as well as other initiatives federally regulated by HUD.

This month's board building presentation will include an overview of Loma Linda University's benchmark report for the Golden Apartments community and HACSB's housing development pipeline update.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on April 5, 2021.

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

**April 13, 2021**

## **FROM**

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

## **SUBJECT**

**Permanent Supportive Housing Discussion**

## **RECOMMENDATION(S)**

Discuss the Housing Authority of the County of San Bernardino's homeless permanent supportive housing initiatives and provide input.

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

## **GOALS & OBJECTIVES**

**Clients have achieved their own personal level of stability and economic independence.**

**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, 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 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**

During the November 2020 regular meeting of the HACSB's Board of Commissioners (BOC), HACSB presented information about the agency's pilot homeless programs. In today's meeting, Loma Linda University presented their benchmark report for Golden Apartments, HACSB's first Permanent Supportive Housing (PSH) development, providing information on the research project, partnerships, and initial program outcomes. Together, this item is to review and discuss HACSB's homeless PSH future initiatives and provide input to staff.

Attached is an overview of HACSB's homeless efforts highlighting the following for discussion:

1. Traditional homeless programs;
2. Pilot homeless programs;
3. Other homeless efforts; and
4. Funding for HACSB's homeless programs.

Permanent Supportive Housing Discussion  
April 13, 2021

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on April 7, 2021.

## Overview of Homeless Efforts

### Housing Authority of the County of San Bernardino

- Traditional Homeless Programs
- Pilot Homeless Programs
- Other Homeless Efforts
- Funding for Homeless Programs

### Traditional Homeless Programs (Competitive Grants)

- Veterans Assistance Supportive Housing (VASH)
  - For chronically homeless veterans with disabling conditions. In partnership with the U.S. Department of Veteran's Affairs.
  - Total households: 424 (529 allocation, funding shortfall)
- Housing for Persons with AIDS (HOPWA)
  - For low-income persons medically diagnosed with HIV/AIDS and their families. In partnership with Foothill Aids Project, grant funded by HUD.
  - Total households: 62
- Mainstream Voucher Program
  - Competitively awarded vouchers to serve non-elderly, low-income persons with disabilities who are transitioning out of institutional or other segregated settings, homeless, or at risk of becoming homeless.
  - Total households: 372
- Family Unification Program
  - Provides housing subsidies to families for whom the lack of adequate housing is a primary factor in the separation, or imminent separation, of children from their families; and youth/young adults at least 18 years and not more than 24 years of age, who left foster care, or will leave foster care within 90 days, in accordance with a transition plan, and are homeless or are at risk of becoming homeless at age 16 or older. Supportive services are provided in kind by a partner agency.
  - Total households: 123
- Continuum of Care Grants
  - For homeless/mentally ill families with disabilities. In partnership with the County of San Bernardino's Department of Behavioral Health, grant funded by the U.S. Department of Housing and Urban Development (HUD).
  - Total households: 336 (272 allocation)



## Pilot Homeless Programs

- Establishing Pilot Homeless Programs is an intentional approach. We want the best outcome for the families we serve.
- A specific number of vouchers designated
- Partners commit to leveraging resources for number and type of households
- Research indicates these programs are a more holistic approach to helping stabilize homeless:
  - Housing assistance is coupled with supportive services; case management; mental health services; cash assistance for security deposits and welcome home kits; etc.
  - Expert partners assist in helping the families
  - Research component
- No Child Left Unsheltered (NCLU)
  - The NCLU program is aimed at housing up to 50 unsheltered families with children in the San Bernardino County. This program focuses on the education and well-being of the children and economic advancement of the parent(s), while providing housing subsidies to stabilize the family. To qualify for this program, families with children must be unsheltered at the time of application and have documented evidence of long-term housing instability.
- Golden Apartments
  - As its first expansion into permanent supportive housing, HACSB opened Golden Apartments in January 2020, a 38-unit apartment complex in the City of San Bernardino to serve primarily chronically homeless individuals. HACSB purchased this site in 2016, assembled the financing to undertake the acquisition and a complete renovation of the three existing, detached buildings containing 21 two-story townhome style apartment homes. 19 of these units were converted into 38 one bedroom stacked-flats, while the other two were reconfigured as the property manager's residence and a common community room/management office. As HACSB is not the direct recipient of capital funds from HUD, HACSB partnered with both the City of San Bernardino (City) and County of San Bernardino (County), who respectively committed loans in the amount of \$880,000 and \$3,158,308 to the development. Also included in the partnership is HACSB's affiliate non-profit, Housing Partners I, Inc. (HPI) a Community Housing Development Organization, for the purposes of accepting the HOME loan funds from the City along with donations from HomeAid Inland Empire. In order to fill the supportive services gap, HACSB also partnered with the County's Department of Behavioral Health, Mental Health Systems and Inland Empire Health Plan, who graciously committed to providing onsite in-kind supportive services. HACSB has partnered with Loma Linda University (LLU) for the research component where in FY 2019, LLU launched the research and data plan for this project. Data collection began at Golden Apartments in February 2020.

- Desert Haven Apartments
  - A second PSH development, Desert Haven Apartments, a 31-unit apartment complex in the City of Victorville is also underway and is set to begin leasing in Spring 2021. In 2016, HACSB purchased the Desert Haven Apartments, formally known as Queen’s Motel, in the City of Victorville to house chronically homeless individuals as part of countywide efforts to address homelessness. As in the majority of our past affordable housing development projects, HACSB is partnering with HPI. As a nonprofit organization, HPI has the ability to solicit and accept funding from local jurisdictions to support affordable housing development. The City of Victorville originally approached the County to partner on the conversion of the motel to permanent supportive housing for chronic homeless, which prompted HACSB’s acquisition of the project. This development converted the existing 61 motel rooms into 31 new permanent supportive housing units for the chronically homeless. The property also includes a large community space that will be used for on-site social services to better serve the various needs of the residents. In order to fill the supportive services gap, HACSB also partnered with the County’s Department of Behavioral Health, Valley Star Behavioral Health, Inc., and Inland Empire Health Plan, who graciously committed to providing onsite inkind supportive services. HACSB has partnered with Loma Linda University (LLU) for the research component.
- Moving On (pending HUD approval)
  - Through this activity, HACSB will allow families participating in the Continuum of Care (CoC) programs administered by HACSB to voluntarily transfer into HACSB’s tenant-based MTW voucher program. Families will be evaluated for readiness to transition from the COC program, which includes supportive services such as case management, employment assistance and job training, housing search and counseling services, life skills training, mental health services, outpatient health services, and other services provided by the San Bernardino County Department of Behavioral Health (DBH), into tenant-based MTW housing assistance without those services. This activity will allow HACSB to ensure housing stability while also providing families the opportunity to take their next step toward housing independence. Additionally, HACSB will be able to serve new chronically homeless families in need of the supportive services and housing assistance offered through the CoC program as families voluntarily transition into the tenant-based MTW voucher program.

### Other Homeless Efforts

- Knowledge and Education for Your Success, Inc. (KEYS) – 2010
  - Rapid rehousing and supportive services to homeless individuals, families (SSVF, COC, HSP), largest provider of homeless rapid rehousing services in SB County
- Georgia St. Cabins (HomeKey)
  - The Homekey program is a statewide effort to rapidly sustain and expand housing for persons experiencing homelessness and impacted by COVID-19. HACSB in

partnership with Mountain Homeless Coalition (MHC), acquired a six-unit apartment complex, plus two modular structure units, named Georgia St. Cabins, in Big Bear Lake to provide permanent supportive housing for the homeless.

- Emergency Housing Vouchers
  - Under the American Rescue Plan Act of 2021, signed by Congress, will provide relief to help people across America remain stably housed during the COVID-19 pandemic. The legislation will provide \$5 billion for emergency housing vouchers for individuals and families who are experiencing homelessness or at risk of homelessness. Funding allocation to HACSB: To be determined

### Funding for Homeless Programs

- Veterans Assistance Supportive Housing (VASH)
  - Funding for specific number of vouchers, can underlease if funding does not support authorized number of vouchers
- Housing for Persons with AIDS (HOPWA)
  - Funded by the HUD Office of HIV/AIDS Housing and was established to provide housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families.
- Mainstream
  - Funding for specific number of vouchers, can underlease if funding does not support authorized number of vouchers
- Family Unification Program
  - Part of Moving to Work Housing Choice Voucher funding, cannot underlease if costs are higher than per unit funding
- Continuum of Care Grants
  - Competitive HUD grants (7)
- Pilot Homeless Programs: NCLU (50), Golden (38), Desert Haven (31)
  - HUD does not provide separate or additional funding for HACSB's Pilot Homeless Programs (via attrition of current Moving to Work HCV program)
  - CY 2020 MTW HCV per unit funding: \$829 (based on pro-rated funding with MTW baseline units), average cost per unit: \$827
  - Households are served from our Moving to Work Housing Choice Vouchers (HCV), with HUD approved flexibilities (examples: minimum rent, term limits, mobility)
  - Partnerships essential for needed supportive services and additional funding
  - Additional administrative funds are needed for administrative capacity (to account for additional time spent with families, coordination of partners, etc.)

#### KEYS Affiliate non-profit

- Supportive Services for Veteran Families (SSVF) (federal competitive grant)
- Continuum of Care grants (1 federal competitive grant)
- Housing Support Program (in partnership with HACSB and TAD)
- At Home Program (in partnership with DAAS)

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

**April 13, 2021**

## **FROM**

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

## **SUBJECT**

**Housing Development Pipeline Discussion**

## **RECOMMENDATION(S)**

Discuss the Housing Authority of the County of San Bernardino's housing development pipeline and provide input.

(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**

Board direction relative to this item will have no immediate financial impact on the Housing Authority of the County of San Bernardino (HACSB). Financial impact of future HACSB development activity resulting from such board direction will be brought to the board for approval on a project by project basis.

## **BACKGROUND INFORMATION**

This item is to review and discuss HACSB's housing development pipeline and provide input..

Our development team is currently focused on the ongoing planning of the next phases of several affordable housing developments, as well as the rehab. associated with the Rental Assistance Demonstration conversions of our public housing portfolio. Such projects include but are not limited to: Valencia Grove in Redlands, Horizons at Yucaipa, and Barstow Affordable Housing conversion.

## **PROCUREMENT**

Not applicable.

## **REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on April 7, 2021.

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

**April 13, 2021**

## **FROM**

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

## **SUBJECT**

**Amendment No. 3 to Memorandum of Understanding with San Bernardino County Department of Behavioral Health for Veterans Housing Initiative Program**

## **RECOMMENDATION(S)**

1. Approve Amendment No. 3 to non-financial Memorandum of Understanding with the San Bernardino County Department of Behavioral Health for the Veterans Housing Initiative Program, updating contractual language, and extending the term one additional year through June 30, 2022.
2. Authorize and direct the Executive Director to execute and deliver the contract amendment to the County of San Bernardino, 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 has secured the resources needed for accomplishing its mission.**

**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**

The recommended amendment to the Memorandum of Understanding (MOU) with the San Bernardino County Department of Behavioral Health (DBH) is in-kind and as such does not have a financial impact on the Housing Authority of the County of San Bernardino (HACSB).

## **BACKGROUND INFORMATION**

As part of the veterans housing efforts, the Veterans Housing Initiative Program (VHIP) was created to provide housing and services for veterans who do not qualify for Veterans Administration (VA) services. VHIP provides permanent housing subsidies with supportive services to homeless individual veteran households and homeless veteran families. The amendment to the MOU updates contractual language that will allow HACSB to continue working with DBH and other veteran service agencies to identify eligible households to access subsidized permanent housing units. The MOU is also being updated to reduce the available units under VHIP to 12 units. The primary purpose for the reduction is that HACSB has not seen evidence of the need to dedicate 60 vouchers to the VHIP initiative. Furthermore, in the goal of helping veterans in general, HACSB has received multiple awards for vouchers under the Veterans Administration Supportive Housing (VASH) program in recent years to continue housing veterans. DBH will continue to provide intensive case management services and referrals for behavioral health services to support the long-term stability of the VHIP households.

Based on the individual need, DBH provides an average of six-months of case management services per household to assist in identifying and removing barriers to successfully becoming employed, housed and/or educated to the level needed to achieve self-sufficiency. DBH assesses

Amendment to the Memorandum of Understanding with County of San Bernardino Department of Behavioral Health for the Veterans Housing Initiative Program  
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the household's living situation, and physical and emotional health and safety. DBH develops a plan and timeline to assist the household to regain stability, and monitors each household's progress toward making the necessary changes to improve its situation. DBH documents the household's progress, participates in case coordination meetings with HACSB and continually assesses the service needs of the families.

On April 19, 2016 (Item No. 81), the Board of Governors approved a non-financial MOU (Agreement No. 16-164) with DBH for the period of April 19, 2016 through June 30, 2017. The MOU included the option of extending the MOU for one-year periods. On May 2, 2017 (Item No. 69), the Board of Governors approved Amendment No. 1 to the MOU, providing a three year extension through June 30, 2020. Subsequently, on June 9 2020 (Item No. 7), HACSB's Board of Commissioners approved a one year extension through June 30, 2021.

The recommended amendment to the MOU will extend the contract termination date from July 1, 2021 through June 30, 2022 and reduces the available units to 12 under the initiative. 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 our General Legal Counsel, Fred Galante, on March 29, 2021.

**AMENDMENT NO. 3**

**MEMORANDUM OF UNDERSTANDING**

**Between**

**County of San Bernardino**

**(Department of Behavioral Health)**

**and**

**Housing Authority of the County of San Bernardino**

**for**

**Veteran Housing Initiative Program**

**April 19, 2016 – June 30, 2022**

**THIS AMENDMENT NO. 3 TO MEMORANDUM OF UNDERSTANDING**, dated as of July 1, 2021 (this Amendment), is entered into by and between the COUNTY OF SAN BERNARDINO, a public body, corporate and politic (County) and the HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO, a public corporation (HACSB).

**WHEREAS**, the County and HACSB entered into that certain Memorandum of Understanding, dated April 19, 2016 (the “MOU”); and

**WHEREAS**, the County and HACSB now desire to amend the term of the MOU;

**NOW, THEREFORE**, in consideration of the foregoing and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, County and HACSB agree as follows:

I. **SECTION I PURPOSE** of the MOU is hereby amended to read as follows:

The Veteran Housing Initiative Program, administered by the Housing Authority of the County of San Bernardino (HACSB) provides permanent housing subsidies with supportive services to homeless veteran single person households and homeless veterans and their families who are residents of San Bernardino County. Twelve permanent housing units are available through the Veteran Housing Initiative Program. In exchange for case management services, HACSB will work with County of San Bernardino Department of Behavioral Health (DBH), Alcohol and Drug Services Administration, and other veteran’s services agencies, in identifying eligible individuals and families to access up to 12 subsidized units within the Veteran Housing Initiative Program. DBH will provide supportive services to program participants through intensive case management. Referrals to the Veteran Housing Initiative Program will be made by the HACSB, recognized veterans services agencies, and the DBH where the participants meet the definition of homeless as defined by the U.S. Department of Housing and Urban Development as individuals and families who lack a fixed, regular, and adequate nighttime residence and can provide verification that their night time residence is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodation (including welfare hotels, congregate shelters, and transitional housing for mentally ill); or
- A public or private place that provides temporary residence for individuals intended to be institutionalized (not incarcerated); or
- A public or private place not designed for, or ordinarily used as, regular sleeping accommodations for human beings.

The Veteran Housing Initiative Program is a local program developed by HACSB; therefore HACSB will make the final determination in regard to homelessness eligibility.

II. SECTION VIII **TERM** of the MOU is hereby amended to read as follows:

This MOU is effective as of April 19, 2016 and expires June 30, 2022, but may be terminated earlier in accordance with the Early Termination Section of this MOU.

III. All other terms, conditions and covenants in the basic agreement remain in full force and effect.

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.

[END OF AMENDMENT]



IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and the County of San Bernardino have entered into this Amendment No. 3 as of the date first set forth above.

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 Maria Razo  
(Print or type name of person signing contract)

Title Executive Director  
(Print or Type)

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

Address 715 E. Brier Drive  
San Bernardino, CA

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

**April 13, 2021**

## **FROM**

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

## **SUBJECT**

Employee Personnel Handbook Supplemental Policy Revisions

## **RECOMMENDATION(S)**

Adopt Resolution No. 109 approving revisions to the Housing Authority of the County of San Bernardino's Employee Personnel Handbook.

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

## **GOALS & OBJECTIVES**

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

**HACSB communication is open, honest and consistent.**

## **FINANCIAL IMPACT**

Approval of the proposed revisions to the supplemental policies of the Employee Personnel Handbook may have some financial impact to the Housing Authority of the County of San Bernardino's (HACSB) approved annual budget. The amount of the financial impact may vary based on use of such policies by employees.

## **BACKGROUND INFORMATION**

In July 2020, the Board of Commissioners (Board) approved supplemental policies to the HACSB's Personnel Policy Handbook related to the current COVID-19 pandemic. As the pandemic has continued, the need for flexibility in policies has also continued. The supplemental policy revisions being presented reflect a change in dates authorized for use.

The supplemental Emergency Paid Sick Leave policy, 5006.2 provides employees with up to 80 hours of Emergency Paid Sick Leave (EPSL) for reasons related to COVID-19. This policy was based on requirements provided through the federal Families First Coronavirus Response Act (FFCRA). The original requirements were to be in effect from April 1, 2020 – December 31, 2020. After that date, agencies were given an option to voluntarily continue providing employees with 80 hours of EPSL for COVID-19 related reasons. The HACSB Executive Director, in coordination with the Senior Management team, agreed to voluntarily extend the use of EPSL through March 31, 2021. This supplemental policy update includes retroactive approval through March 31, 2021.

The supplemental Family Medical Leave and California Family Rights Act Leaves policy, 5008.2, expands reasons for employees taking Family Medical Leave to reasons related to childcare due to COVID-19 and provides employees 2/3 of their pay during their Family Medical Leave time. This policy was based on requirements provided through FFCRA. The original requirements were to be in effect from April 1, 2020 – December 31, 2020. After that date, agencies were given an option to voluntarily continue providing employees with leave for this expanded reason. The HACSB Executive Director, in coordination with the Senior Management team, agreed to

voluntarily extend the use of Family Medical Leave through March 31, 2021. This supplemental policy update includes retroactive approval through March 31, 2021.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on March 30, 2021.

**HOUSING AUTHORITY RESOLUTION NO. 2021-109**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE  
COUNTY OF SAN BERNARDINO APPROVING REVISIONS TO THE HOUSING AUTHORITY OF  
THE COUNTY OF SAN BERNARDINO EMPLOYEE POLICY HANDBOOK**

**RECITALS**

**WHEREAS**, the Housing Authority of the County of San Bernardino (HACSB) Employee Policy Handbook sets forth the terms and conditions of employment for all full-time and part-time employees; and

**WHEREAS**, the Employee Policy Handbook contains the employment policies and practices of HACSB in effect at the time of publication, and it supersedes all previous policies, rules, procedures and past practices of HACSB, both oral and written; and

**WHEREAS**, HACSB desires to amend its policies and procedures as they relate to recent emergency personnel operations due to the COVID-19 pandemic, and updates to applicable law through legal review.

**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 revisions to the HACSB Employee Policy Handbook, a redline version of which is attached hereto as Exhibit "A".

Section 3. 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: COMMISSIONER:

NOES: COMMISSIONER:

ABSENT: COMMISSIONER:

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\_\_.

\_\_\_\_\_  
Secretary

## Supplemental Policy Updates

### 5008.2 Family Medical Leave and California Family Rights Act Leaves

As part of the Families First Coronavirus Response Act (“FFCRA”), from April 1, 2020 – December 31, 2020 and as noted below, eligible employees can take Family and Medical Leave consistent with the Emergency Family and Medical Leave Expansion Act (EFMLA). In addition to the leave reasons under Policy 5008, EFMLA allows for leave based on the following:

Leave due to an inability to work (or telework) because the employee needs to provide care for the employee’s son or daughter under the Emergency Family and Medical Leave Expansion Act. (FMLA Sec. 110 (a)(2)(A).)

**The HACSB has voluntarily agreed to extend use of EFMLA beyond December 31, 2020. This approved supplemental policy may be extended until further notice not to exceed beyond December 31, 2021.**

#### Eligibility

Employees are entitled to up to 12 weeks of job-protected Emergency FMLA Leave if the employee satisfies the following requirements:

- (1) The employee has worked for the Agency for at least 30 calendar days (FMLA Sec. 110(a)(1)(A);
- (2) The employee is unable to work (or telework) due to a need to care for the son or daughter (under 18 years of age or 18 years of age or older who is incapable of self-care because of a mental or physical disability) who’s school or place of care has been closed, or who’s child care provider is unavailable due to a COVID–19 emergency declared by either a Federal, State, or local authority, (FMLA Secs. 101(12); 110(a)(2)(A) & (B); 29 CFR §§ 825.102, 826.010);
- (3) The employee has not used all available FMLA leave. Emergency FMLA Leave is a form of FMLA leave, and is not in addition to any other FMLA leave; and
- (4) There is no other suitable person (*e.g.*, co-parent, co-guardian, or normal child care provider) available to care for the employee’s son or daughter during the period for which the Employee takes Emergency FMLA Leave.

#### Definitions

For purposes of this policy, the following definitions apply:

“Child” or “son or daughter” means a child under the age of 18 years of age, or 18 years of age or older who is incapable of self-care because of a mental or physical disability. An employee’s child is one for whom the employee has actual day-to-day responsibility for care, and includes a biological, adopted, foster or step-child. A child is “incapable of self-care” if he/she requires active assistance or supervision to provide daily self-care in three or more of the activities of daily living or instrumental activities of daily living, such as caring for grooming and hygiene, bathing, dressing and eating, cooking, cleaning shopping, taking public transportation, paying bills, maintaining a residence, or using telephones and directories. (29 CFR §§ 825.102, 826.010; Gov. Code § 12945.2(c)(1).)

“Child Care Provider,” for purposes of Emergency FMLA means a provider who receives compensation for providing child care services on a regular basis. The term includes a center-based child care provider, a group home child care provider, a family child care provider, or other provider of child care services for compensation that is licensed, regulated, or registered under State law; and satisfies the State and local requirements. However, under the Families First Coronavirus Response Act (“FFCRA”), the eligible child care provider *need not be compensated or licensed* if he or she is a family member or friend, such as a neighbor, who regularly cares for the employee’s child.

### **Payment While on EFML**

The first ten (10) days of Emergency FMLA Leave may consist of unpaid leave. During this period, the employee may elect to use Emergency Paid Sick Leave (EPSL), as described in Supplemental Policy 5006.2, if the employee has not exhausted such leave through use at the Agency or prior employer. If the employee has exhausted the EPSL to which they are entitled, an employee may use their earned and accrued leaves to supplement their unpaid Emergency FMLA Leave compensation they receive under Emergency FMLA Leave in order to achieve 100% of the pay they would normally receive in a given week for working their regularly scheduled hours. Use of such accrued and unused leave will run concurrently with use of Emergency FMLA Leave.

After the tenth day, and for the remaining ten (10) weeks of EFMLA Leave, an employee is entitled to compensation for such leave at two-thirds (2/3) of the employee’s regular rate of pay, subject to a cap of \$200 per day and \$10,000 total. (FMLA Sec. 110(b).)

Employees may supplement the compensation they receive under EFMLA Leave (paid up to the specified limitations under the FFCRA) with their earned or accrued leaves in order to achieve 100% of the pay they would normally receive in a given week for working their regularly scheduled hours.

An eligible employee is entitled to a maximum of twelve workweeks of FMLA Leave during the period in which the leave may be taken (~~between April 1, 2020 to December 31, 2020~~) even if the twelve workweeks spans two FMLA leave twelve-month period.

## **Administration**

Employees must notify Human Resources as soon as possible regarding the need for EFMLA Leave. Employees will be required to complete a Request for EFML through Human Resources along with supporting documentation as indicated on the form.

It is understandable that an employee may not know the need for EFML arises until after the first day of need. As soon as the employee becomes aware, they must notify Human Resources.

An employee may provide notice of the need to use EFML orally or in writing, or may provide such notice through the employee's spokesperson (e.g., spouse, adult family member, or other responsible party) if the employee is unable to provide such notice themselves. Notice is recommended directly to Human Resources.

If an employee fails to provide proper notice, the Agency will provide the employee notice of the failure and provide the employee with an opportunity to provide the required documentation, described below, prior to denying the employee's request for leave.

Employees on an EFML will still be responsible for abiding by all policies as set forth in the employee personnel policy, Employees on EFML are not to accept any other form of employment without prior written request and approval from the Housing Authority Human Resources Department.

## **Intermittent Leave**

The Agency agrees to allow intermittent EFML for employees who have requested leave to care for their son or daughter or if the school or place of care of the son or daughter has been closed, or the child care provider of such son or daughter is unavailable, due to COVID-19 precautions. Intermittent Leave will be approved in three hour increments.

## **Protected Sick Leave**

Any leave approved as EFML is considered protected leave and the Agency may not discharge, discipline or discriminate against employees who takes such leave. An employee who uses Emergency Paid Sick Leave is entitled to reinstatement to their prior position unless the position held by the employee does not exist due to economic conditions or other changes in operating conditions caused by a public health emergency during the period of leave such that the employee would not otherwise have been employed at the time of reinstatement.

## **5006.2 - Emergency Paid Sick Leave**

As part of the Families First Coronavirus Response Act ("FFCRA"), from April 1, 2020 – December 31, 2020 **and as noted below**, eligible employees can take Emergency Paid Sick Leave for one of the six qualifying reasons described below under subsections (a) and (b):

- (a) Eligible employees are entitled to up to 80 hours of Emergency Paid Sick Leave at their full regular rate of pay up to \$511/day and \$5,110 in the aggregate, as provided under the FFCRA if they are unable to work or telework for the following reasons:
- (1) The employee is subject to a Federal, State, or local quarantine or isolation order related to COVID-19, as defined below. An employee who lives with an individual who is among one or more of those categories of individuals advised to shelter in place, stay at home, isolate or quarantine will *not* qualify for Emergency Paid Sick Leave based on that reason under this subsection. However, such an employee may qualify for Emergency Paid Sick Leave pursuant to the qualifying reason provided for in subsection (b)(1) below.
  - (2) The employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19.
  - (3) The employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis.
- (b) Eligible employees are entitled to up to 80 hours of Emergency Paid Sick Leave at two-thirds (2/3) of the employee's regular rate of pay up to \$200/day and \$2,000 in the aggregate, as provided under the FFCRA, if they are unable to work or telework because:
- (1) The employee is caring for an "individual," as defined below, who is subject to a Federal, State, or local quarantine or isolation order related to COVID-19 or been advised by a health care provider to self-quarantine due to concerns related to COVID-19 as described in subsections (a)(1) and (2) above.
  - (2) The employee is caring for a son or daughter of such employee if the school or place of care of the son or daughter has been closed, or the child care provider of such son or daughter is unavailable, due to COVID-19 precautions. "Son or daughter" and "child care provider" are defined below.
  - (3) The employee is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretary of the Treasury and the Secretary of Labor.

**The HACSB has voluntarily agreed to extend use of EPSL beyond December 31, 2020. This approved supplemental policy may be extended until further notice not to exceed beyond December 31, 2021.**



The Agency will allow employees to supplement the compensation they receive if taking leave under Emergency Paid Sick Leave (paid up to the specified limitations under the FFCRA) with their accrued sick or vacation leaves in order to achieve 100% of the pay the employee would normally receive in a given week for working their regularly scheduled hours.

Leave taken as Emergency Paid Sick Leave is in addition to sick leave provided by the Agency. Unused Emergency Paid Sick Leave does not carryover for any employee.

Employees hired on or after April 1, 2020 who took the full 80 hours of Emergency Paid Sick Leave when employed by another employer are not entitled to take any additional Emergency Paid Sick Leave with the Agency. An employee who has taken some, but not all, of the Emergency Paid Sick Leave to which they are entitled, when they were employed by another employer, is entitled only to the remaining portion of such leave from the Agency if the employee meets the eligibility requirements provided above.

### **Definitions**

For purposes of this policy, the following definitions apply:

“Health care provider” means the following for the purposes of employees who may be exempted from Emergency Paid Sick Leave:

1. Anyone employed at any doctor’s office, hospital, health care center, clinic, post-secondary educational institution offering health care instruction, medical school, local health department or agency, nursing facility, retirement facility, nursing home, home health care provider, any facility that performs laboratory or medical testing, pharmacy, or any similar institution, employer, or entity; and
2. Any individual employed by an entity that contracts with any of these institutions described above to provide services or to maintain the operation of the facility where that individual’s services support the operation of the facility. This also includes anyone employed by any entity that provides medical services, produces medical products, or is otherwise involved in the making of COVID-19 related medical equipment, tests, drugs, vaccines, diagnostic vehicles, or treatments.

“Child Care Provider” means a provider who receives compensation for providing child care services on a regular basis. The term includes a center-based child care provider, a group home child care provider, a family child care provider, or other provider of child care services for compensation that is licensed, regulated, or registered under State law; and satisfies the State and local requirements. However, under the Families First Coronavirus Response Act (“FFCRA”), the eligible child care provider *need not be compensated or licensed* if he or she is a family member or friend, such as a neighbor, who regularly cares for the Employee’s child.

“Son or Daughter” means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing *in loco parentis*, who is under 18 years of age; or 18 years of age or older who is incapable of self-care because of a mental or physical disability. (29 U.S.C. 2611; 29 CFR 826.10(a).)

“Subject to a Quarantine or Isolation Order” means a quarantine or isolation order includes quarantine, isolation, containment, shelter-in-place, or stay-at-home orders issued by any Federal, State, or local government authority that cause the Employee to be unable to work even though his or her Employer has work that the Employee could perform but for the order. This also includes when a Federal, State, or local government authority has advised categories of citizens (*e.g.*, of certain age ranges or of certain medical conditions) to shelter in place, stay at home, isolate, or quarantine, causing those categories of Employees to be unable to work even though their Employers have work for them.

“Individual” means an employee’s immediate family member, a person who regularly resides in the employee’s home, or a similar person with whom the employee has a relationship that creates an expectation that the employee would care for the person if he or she were quarantined or self-quarantined. “Individual” does not include persons with whom the Employee has no personal relationship.

#### **Amount of Leave**

Full time employees working 40 hours per week may take up to 80 hours of Emergency Paid Sick Leave.

Part time employees may take up to the number of hours that they work on average over a two-week period as determined by reviewing the six-month period prior to the usage of leave. If the employee has not worked for the Agency for six months, the Agency will calculate the leave entitlement based on the period during which the employee has been employed.

#### **Intermittent Leave**

The Agency agrees to allow intermittent EPSL for employees who have requested leave to care for their son or daughter or if the school or place of care of the son or daughter has been closed, or the child care provider of such son or daughter is unavailable, due to COVID-19 precautions. Intermittent Leave will be approved in whole day increments.

#### **Protected Sick Leave**

Any leave approved as EPSL is considered protected leave and the Agency may not discharge, discipline or discriminate against employees who takes such leave. An employee who uses Emergency Paid Sick Leave is entitled to reinstatement to their prior position unless the position held by the employee does not exist due to economic conditions or other changes in operating conditions caused by a public health emergency during the period of leave such that the employee would not otherwise have been employed at the time of reinstatement.

**Administration of Leave**

Employees must notify Human Resources as soon as possible regarding the need for Emergency Paid Sick Leave. Employees will be required to complete a Request for EPSL through Human Resources along with supporting documentation as indicated on the form. It is understandable that an employee may not know the need for EPSL arises until after the first day of need. As soon as the employee becomes aware, they must notify Human Resources.

An employee may provide notice of the need to use EPSL orally or in writing, or may provide such notice through the employee's spokesperson (e.g., spouse, adult family member, or other responsible party) if the employee is unable to provide such notice themselves. Notice is recommended directly to Human Resources.

If an employee fails to provide proper notice, the Agency will provide the employee notice of the failure and provide the employee with an opportunity to provide the required documentation, described below, prior to denying the employee's request for leave.

Employees on an EPSL will still be responsible for abiding by all policies as set forth in the employee personnel policy. Employees on EPSL are not to accept any other form of employment without prior written request and approval from the Housing Authority Human Resources Department.

**Sick Leave upon Separation of Employment**

Unused EPSL is not cashed out upon termination, resignation, retirement or other separation from employment. Unused EPSL is not eligible for retirement service credit.

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

**April 13, 2021**

## **FROM**

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

## **SUBJECT**

Revisions to the Administrative Plan Governing the Housing Authority of the County of San Bernardino's Rental Assistance Programs

## **RECOMMENDATION(S)**

Adopt Resolution No. 110 approving revisions to the Administrative Plan governing the Housing Authority of the County of San Bernardino's rental assistance programs.  
(Presenter: Maria Razo, Executive Director, 332-6305)

## **GOALS & OBJECTIVES**

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

**HACSB communication is open, honest and consistent.**

**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 the proposed revisions to the Administrative Plan will have no direct financial impact to the Housing Authority of the County of San Bernardino's (HACSB) annual budget.

## **BACKGROUND INFORMATION**

HACSB's Housing Choice Voucher (HCV) Administrative Plan outlines the adopted policies that govern the HCV program as well as other HACSB rental assistance programs. These programs provide rental subsidies for low-income families leasing homes in the private rental market. The Administrative Plan is required of all housing authorities administering an HCV program and is reviewed and updated as needed to maintain compliance with Public and Indian Housing Notices (PIH), Federal Register Notices as issued by the United States Department of Housing and Urban Development (HUD), and HACSB's Moving to Work (MTW) activities.

Under the HCV program regulations, families may lease a unit that is larger than their voucher size. This is known as over-housing. However, through its HUD-approved MTW initiatives, HACSB has authorization to restrict the unit size participating families may lease. HACSB currently authorizes families to lease a unit that is no more than one bedroom larger than their voucher size.

On March 9, 2021 (Item No. 6), HACSB's Board of Commissioners (Board), discussed cost reduction measures for the agency in response to housing costs continuing to outpace federal funding. The Board examined several strategies presented by staff which included:

- Cap Housing Assistance Payment (HAP) for over-housed families to the average HAP for right-sized families; or
- Implement right-sized unit requirement; or

Amendment to the Administrative Plan Governing the Housing Authority of the County of San Bernardino's Rental Assistance Programs  
April 13, 2021

- Disallow larger unit size at lease-up; or
- Increase tenant rent portion.

The Board provided direction to staff to implement a policy that would disallow over-housing as a strategy for overall cost reduction measures for the agency. The proposed policy change, if approved, will require a family to lease a unit that is the same size as, or one bedroom smaller than, the family's voucher. The policy change would apply to current participants at who choose to move and to all new participants at admission to the program, effective July 1, 2021. The proposed policy revision will provide long-term cost reduction with no impact to in-place families, while ensuring maximum use of limited federal funds. Attached are the corresponding sections from the Administrative Plan with the redline changes.

To ensure alignment with HUD regulations and HACSB's MTW Annual Plan, it is recommended the Board adopt the resolution to approve the proposed changes to the Administrative Plan.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on March 30, 2021.

**HOUSING AUTHORITY RESOLUTION NO. 2021-110**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE  
COUNTY OF SAN BERNARDINO APPROVING REVISIONS TO THE ADMINISTRATIVE PLAN  
GOVERNING THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO'S RENTAL  
ASSISTANCE PROGRAMS**

**RECITALS**

**WHEREAS**, the Housing Authority of the County of San Bernardino (HACSB) is required to maintain an Administrative Plan which outlines regulations necessary to administer the Housing Choice Voucher subsidized programs on behalf of the United States Department of Housing and Urban Development (HUD); and

**WHEREAS**, HUD requires public housing agencies to amend their Administrative Plan to incorporate changes and define policy relative to administration of the Housing Choice Voucher subsidized programs; and

**WHEREAS**, HACSB desires to amend its policies and procedures to implement a policy requiring participant families to lease units that are the same size or one bedroom smaller than their voucher.

**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 revisions to the Administrative Plan governing the Housing Authority of the County of San Bernardino's rental assistance programs, attached hereto as Exhibit "A" and incorporated by reference herein.

Section 3. 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: COMMISSIONER:

NOES: COMMISSIONER:

ABSENT: COMMISSIONER:

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

## Housing Authority of the County of San Bernardino

### Housing Services Program Administrative Plan

Revised: ~~February~~ April 2021

#### 5.5 Changes for Participants

All changes that may affect the family's eligible subsidy standards must be reported within 10 business days of the change occurring, including a household member(s) no longer needing a live in aide or approved additional bedroom due to reasonable accommodation.

The family must obtain approval of any additional family members before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the Housing Authority within ten (10) business days. Probable placement or custody must be verified through a social service/children's service agency or school and is subject to Housing Authority approval.

If changes in the family composition results in a change in the subsidy standard, the appropriate adjustments will be made at the next regularly scheduled recertification. In cases where an additional person(s) joins the family and the family will continue to occupy the same rental unit (i.e., no move is involved), the Housing Authority may require the family to use the living room or other available space that meets inspection standards.

If a unit does not meet inspection standard maximum occupancy standards due to an increase in family size the Housing Authority will terminate the existing assistance contract with the landlord and allow the family to search for a suitable unit.

#### 5.6 Flexibility of Unit Size Actually Selected [24 CFR 982.402, 24 CFR 982.517(d)]

The family may select a dwelling unit with a different size than their applicable subsidy standard, dependent upon their program. The impacts of a different unit size selection vary based on the applicant or participant's Housing Services Assistance program type. Each of these differences is outlined in the following sections.

##### 5.6.1 Term-Limited Lease Assistance and Streamlined Lease Assistance Programs

In these programs, the Housing Authority may require a family to select a unit that is the same size as their voucher.<sup>12</sup> Families in this program ~~may are~~ not ~~be~~ permitted to lease an oversized unit.

- Larger than Subsidy Standard - For Request for Tenancy Approvals received on or after July 1, 2021, --, the Housing Authority ~~may will~~ prohibit a family from renting an otherwise acceptable unit because it is too large for the family. In other words, the unit may not be larger than the family's subsidy standard. instances

<sup>12</sup> The FY 2018 Moving to Work Annual Plan, Activity 20: Term-Limited Lease Assistance program for families and Activity 22: Streamlined Lease Assistance program included a unit size limitation.



~~where this is permitted, the rent for the unit must be comparable and that the number of bedrooms is not more than one greater than the family's subsidy standard.~~ Example: a family with a two-bedroom subsidy standard may select a unit that has no more than ~~three~~ two bedrooms.

- Smaller than Subsidy Standard - The Housing Authority may permit a family to rent an otherwise acceptable unit with fewer bedrooms than the subsidy standard, provided that the unit does not exceed maximum unit occupancy requirements and that the number of bedrooms is not more than one smaller than the family's subsidy standard. Example: a family with a two-bedroom subsidy standard may select a unit that has no less than one bedroom.
- Subsidy Limitation – For families who selected a unit size larger than the approved size voucher for Request for Tenancy Approvals received prior to July 1, 2021, the Housing Authority may 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. Subsidy will be calculated in accordance with the applicable program as described in Chapter 6. This limitation will not be applicable for families under the fixed subsidy calculation.

### ***5.6.2 Traditional, Regulatory Assistance for Special Purpose Programs***

- Larger than Subsidy Standard - The Housing Authority shall not prohibit a family from renting an otherwise acceptable unit because it is too large for the family, provided that the rent for the unit is comparable and affordable. Affordability is only reviewed at initial occupancy in an assisted unit and a unit is considered affordable as long as the total rent to owner plus utilities does not exceed forty percent (40%) of the family's adjusted monthly income.
- Smaller than Subsidy Standard - The Housing Authority shall not prohibit a family from renting an otherwise acceptable unit with fewer bedrooms than the subsidy standard, provided that the unit does not exceed maximum unit occupancy requirements.
- Subsidy Limitation – The Housing Authority will provide subsidy based on the lower of the payment standard amount for the subsidy standard or the actual unit size rented by the family. Subsidy will be calculated in accordance with the applicable program as described in Chapter 6.
- Utility Allowance – The utility allowance used to calculate the gross rent is based on the lower of the actual unit size or the voucher bedroom size. Subsidy will be calculated in accordance with the applicable program as described in Chapter 6.

# Housing Authority of the County of San Bernardino

## Housing Services Program Administrative Plan

Revised: ~~February~~ April 2021

### 5.7 Maximum Occupancy Standards [24 CFR 982.402]

The Housing Authority has established maximum occupancy standards in alignment with its inspection standards. ~~Families may choose to live in units larger or smaller than the subsidy standard, but at a~~ At a all times the unit must comply with the maximum occupancy standards. These standards allow two persons per bedroom and one person per living/sleeping room or other available space and permit maximum occupancy levels as shown in the table below:

MAXIMUM OCCUPANCY STANDARDS	
Number of Bedrooms	Maximum Number of Persons in Household
0 Bedroom	2
1 Bedroom	3
2 Bedrooms	5
3 Bedrooms	7
4 Bedrooms	9
5 Bedrooms	11

The levels listed above may be exceeded if another room, in addition to bedrooms and the living room, is used for sleeping.

annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

For families who qualify for both medical and disability expenses deduction, when expenses anticipated by a family could be defined as either medical or disability assistance expenses, the Housing Authority will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

### **6.4 Calculation of Housing Authority Subsidy and Family Rent Share**

Each Housing Services program determines the Housing Authority subsidy and family rent share differently. Family rent share describes the amount of rent for which a family is responsible. This previously was known as “Total Tenant Payment.” This section describes the calculation for each program.

#### **6.4.1 Term-Limited Lease Assistance Program**

For families initially leasing under this program prior to November 1, 2017, or as soon as practicable thereafter, the Housing Authority subsidy will be the smaller of the contract rent or fifty percent (50%) of the applicable payment standard, whichever is lower and the Housing Authority will provide that amount to the owner. The participant is responsible for the balance of the rent. No families will be enrolled into this fixed-subsidy component after November 1, 2017 (or as soon as practicable thereafter).

For families initially leasing under this program with a briefing date on or after November 1, 2017, or as soon as practicable thereafter, including applicants pulled from the former Upland Housing Authority waiting list on or after July 1, 2017, the Housing Authority subsidy and family rent portion shall be calculated using the same methodology established via the Streamlined Fixed Lease Assistance for Career-Focused Families Program.

#### **6.4.2 Streamlined Fixed Lease Assistance for Elderly/Disabled Families Program**

For families initially briefed in this program on or before December 31, 2018, HACSB will calculate family rent share by selecting the largest of twenty-four percent (24%) of monthly annual income, the baseline rent, or the minimum rent. For families initially briefed in this program on or after January 1, 2019, (or as soon as practicable thereafter) HACSB will calculate family rent share by selecting the largest of thirty percent (30%) of monthly annual income, the baseline rent, or the minimum rent. The minimum rent is \$125 for the Streamlined Fixed Lease Assistance program. If the family is leasing a unit that is larger than their approved subsidy standard size and the family chooses to remain in the

# Housing Authority of the County of San Bernardino

## Housing Services Program Administrative Plan

Revised: ~~February~~ April 2021

unit at program implementation—or has chosen to rent a unit that is larger than their approved subsidy standard size while on the program, the family will pay the difference between the amount the Housing Authority will pay under the Streamlined Fixed Lease Assistance Program on behalf of the family and the contract rent. This also applies to the former Upland Housing Authority (UHA) elderly/disabled families as a result of the voluntary transfer on July 1, 2017, with a recertification date of January 1, 2018, or later; future Plan references to Streamlined Fixed Lease Assistance families will also apply to these former UHA families. For Request for Tenancy Approvals received on or after July 1, 2021, the family is required to lease a unit that is no larger than their subsidy standard.

### **6.4.3 Streamlined Tiered Lease Assistance for Career-Focused Families Program**

For existing SLA participants and families initially leasing under this program, the Housing Authority has established a tiered rent schedule in the Streamlined Tiered Lease Assistance Program for Career Focused Families Program. The family rent share will be calculated based on which of the following is greater:

1. Larger of the applicable rent tier percentage multiplied by monthly annual income, or
2. The highest family rent share previously calculated for the family (the baseline rent); or
3. The minimum rent. (The minimum rent is \$125 for the Streamlined Tiered Lease Assistance program).

The rent tier starts at thirty percent (30%) of monthly annual income and may increase three percent (3%) at every regularly scheduled biennial recertification to a maximum rent tier of thirty-six percent (36%) of monthly annual income at the Housing Authority's discretion. A family's rent share may never drop below the highest family rent share amount. Examples of rent tiers are included in the chart below:

THE BELL FAMILY (EXAMPLE)				
	First Biennial Recertification (30%)	Second Biennial Recertification (33%)	Third Biennial Recertification (36%)	Fourth Biennial Recertification (36%)
<b>Bell Family Monthly Annual Income</b>	\$300	\$300	\$1200	\$700
<b>Bell Family Rent Share</b>	\$125	\$125	\$432	\$432

# Housing Authority of the County of San Bernardino

## Housing Services Program Administrative Plan

Revised: ~~February~~ April 2021

Effective February 1, 2018, the Housing Authority will apply the new family rent calculation of thirty percent (30%) of the gross income, the minimum rent, or the Streamlined Lease Assistance baseline rent, whichever is greater. The Housing Authority anticipates that it would use the family's most recently reported income information to process the reexamination, which will serve to minimize the financial impact to families when the new rent calculation is applied. Additionally, the Housing Authority will provide an automatic six-month hardship exemption for all families affected by this change; therefore, the new rent tier will be applied effective August 1, 2018. In the future, the Housing Authority may implement the additional rent tiers of thirty-three percent (33%) and thirty-six percent (36%) only if it is necessary to ensure financial viability of the program without terminating assistance or serving fewer families.

### **6.4.4 Streamlined Tiered Lease Assistance for Former Upland Housing Authority Participants**

The rent share for families who transitioned from the Upland Housing Authority (UHA) on July 1, 2017 will be calculated based on which of the following is greater:

1. Larger of the applicable rent tier percentage multiplied by monthly annual income, or
2. The highest family rent share previously calculated for the family (the baseline rent); or
3. The minimum rent. (The minimum rent is \$125 for the former Upland Housing Authority participants).

Participants will follow the rent tiers beginning at twenty-one percent (21%) of the monthly annual income and increasing three percent (3%) at every regularly scheduled biennial recertification to a maximum rent tier of thirty percent (30%). UHA families will transition to this activity at their first recertification occurring on or after January 1, 2018. This will also apply at admission to any family who is transitioned from the UHA waiting list to an HACSB waiting list as a result of the July 1, 2017 voluntary transfer.

SMITH FAMILY (EXAMPLE)				
	First Biennial Recertification (21%)	Second Biennial Recertification (24%)	Third Biennial Recertification (27%)	Fourth Biennial Recertification (30%)
<b>Smith Family Monthly Annual Income</b>	\$833	\$1000	\$1000	\$500

## Housing Authority of the County of San Bernardino

### Housing Services Program Administrative Plan

Revised: ~~February~~ April 2021

<b>Smith Family Rent Share</b>	\$175	\$240	\$270	\$270
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#### **6.4.5 Rental Assistance Demonstration (RAD) Project-Based Voucher (PBV)**

This section applies to RAD PBV legacy families (families residing in a RAD-converted PBV unit at the time of conversion) only. The rent share for these families will be calculated based on which of the following is greater:

1. The applicable rent percentage multiplied by monthly annual income; or
2. The highest family rent share previously calculated for the family (the baseline rent); or
3. The minimum rent. (The minimum rent is \$125 for the Rental Assistance Demonstration Project-Based Voucher program).

Non-elderly and non-disabled participants will follow the rent tiers beginning at twenty-one percent (21%) of the monthly annual income and increasing three percent (3%) at every regularly scheduled biennial recertification to a maximum rent tier of thirty percent (30%). (Please see the Smith Family Example, below.)

For elderly and disabled participants, HACSB will calculate family rent share by selecting the largest of twenty-four percent (24%) of monthly annual income, the baseline rent, or the minimum rent.

<b>THE SMITH FAMILY (EXAMPLE)</b>				
	First Biennial Recertification (21%)	Second Biennial Recertification (24%)	Third Biennial Recertification (27%)	Fourth Biennial Recertification (30%)
<b>Smith Family Monthly Annual Income</b>	\$833	\$1000	\$1000	\$500
<b>Smith Family Rent Share</b>	\$175	\$240	\$270	\$270

#### **6.4.6 Streamlined Fixed Lease Assistance for Career-Focused Families Program**

The Housing Authority will calculate family rent share by selecting the greatest of thirty percent (30%) of monthly annual income, the baseline rent, or the minimum rent.<sup>20</sup> If the

<sup>20</sup> The FY 2016 MTW Plan modified Activity 23: Streamlined Lease Assistance to include the Fixed Lease Assistance for Career-Focused Families program.

family is leasing a unit that is larger than their approved subsidy standard size and the family chooses to remain in the unit at program implementation or has chosen to rent a unit that is larger than their approved subsidy standard size while on the program, the family will pay the difference between the amount the Housing Authority will pay under the Streamlined Fixed Lease Assistance Program on behalf of the family and the contract rent. For Request for Tenancy Approvals received on or after July 1, 2021, the family is required to lease a unit that is no larger than their subsidy standard.

### ***6.4.7 Hardship Exemption Criteria for Streamlined Lease Assistance Programs***

HACSB recognizes that under some circumstances, families may experience a hardship that makes it challenging to pay the applicable rent under the Streamlined Lease Assistance Program. Hardship exemption criteria have been developed for all families that see a significant increase in their portion as a direct result of the SLA calculation at initial implementation of the activity or experience certain expenses or losses of income while participating in the program. In order for families to be eligible for a hardship exemption, they must make their request for a hardship exemption in writing and be in compliance with all program rules and regulations. The request for hardship exemption must come no later than 60 days after the most recent change in circumstances. Permanent hardship exemption requests must be received within 60 days or by next recertification whichever is later. Families also must provide all supporting documents regarding their case and all requests for hardship exemptions will be reviewed by the Hardship Review Committee. After the committee has evaluated the family's request, they will determine if the family qualifies for a temporary or permanent hardship exemption. The following sections describe the types of hardship exemptions that may be granted. All non-elderly/non-disabled households approved for a temporary hardship exemption will be required to participate in the Family Empowerment Services case management activities.

#### **6.4.7.1 Permanent Hardship Exemptions**

A permanent hardship exemption may be approved for the following reasons:

- the family experiences a death of a household member with income;
- any income-earning member of the assisted family no longer remains in the unit;
- an elderly or disabled household experiences a permanent loss of income;
- Unforeseen and involuntary permanent loss of income for a family member under the age of 18.



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

**April 13, 2021**

## **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. 5 to Contract No. PC990, effective May 1, 2021, with Applied Real Estate Analysis, Inc., for local rental housing submarket analysis services increasing the current contract amount by \$33,295 for a total contract amount not to exceed \$156,281.70 through February 22, 2022 with the option to extend for one additional one-year term through February 22, 2023.
2. Update to the scope of work to revise deliverable deadline dates for the draft and final report.
3. 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 item is not expected to exceed \$33,295.00 through February 22, 2022, 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 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 and exercise the second option year for AREA, Inc. to perform the 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.

On March 10, 2021, HACSB sent AREA, Inc. a letter confirming the automatic extension of the term for the second option year of the agreement, subject to approval by HACSB's Board of Commissioners at its April 2021 meeting of an additional appropriation to cover the second option year.

#### **PROCUREMENT**

HACSB previously issued a Request for Proposals (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 agency.

#### **REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on March 29, 2020.



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

**AMENDMENT #5 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. 5, dated May 1, 2021, ("Fifth 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.

**WHEREAS**, the Authority and Contractor entered into Amendment No. 3 to the Agreement, dated May 13, 2020, to increase funds needed for option year one through February 22, 2021 with an increase in the Agreement Price of \$31,118.00.

**WHEREAS**, the Authority and Contractor entered into Amendment No. 4 to the Agreement, dated May 13, 2020, to modify the deadlines for deliverables.

**WHEREAS**, on March 10, 2021 the Authority sent Contractor a letter confirming the automatic extension of the term for the second option year of the Agreement, subject to approval by the Authority Board at its April, 2021 meeting of an additional appropriation to cover the funding for such option year.

**WHEREAS**, the Authority and Contractor now wish to enter into this Amendment No. 5 to the Agreement to update the local payment standards deliverable date per scope of work attached and increase the Agreement Price by \$33,295 for a total amount not-to-exceed \$156,281.70

## **OPERATIVE PROVISIONS**

**NOW, THEREFORE**, the foregoing Recitals being true and correct, and in consideration of the mutual covenants and obligations contained in this fourth 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).” Exhibit A-1 includes updates to the deliverable dates of the draft and final reports due to the COVID-19 crisis.

**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 extended through February 22, 2022, with the option to extend for one (1) additional one-year term through February 22, 2023, which extension shall be subject to the terms of the Agreement.

**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”). The Agreement Price is in consideration for and provides full and complete compensation for the Work and the performance by Contractor of all of its obligations hereunder. Terms are defined in the Additional Provisions and includes a guarantee of task completion.”

**Section 5.** The effective date of this amendment is May 1, 2021.


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: Maxine V. Mitchell

Title: President

Date: March 29, 2021

**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. (Note: revised deadlines agreed upon in 2021 due to the ongoing COVID-19 pandemic are July 12<sup>th</sup> for the discussion draft and July 26<sup>th</sup> for the final report.)** 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 1, 2021  
Completion Date: February 22, 2022

**Total Agreement Price: Not to exceed \$156,281.70**

<b>Option Year/Data Collection Year</b>	<b>Total Cost:</b>
Option Year Two (2021)	\$33,295.00

Statement of Work ("Exhibit A-1")

Work Authorization ("Exhibit A-2")

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

**April 13, 2021**

## **FROM**

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

## **SUBJECT**

**Contract Amendment with Wells Fargo Bank N.A. for Banking Services**

## **RECOMMENDATION(S)**

1. Approve Amendment No. 3 to Contract No. PC963, effective May 1, 2021, with Wells Fargo Bank N.A. for Banking Services, increasing the current contract amount by \$121,136.28 for a total contract amount not to exceed \$334,536.30 and extending the contract through January 31, 2022, with the option to extend for one additional one-year term through January 31, 2023.
2. Authorize and direct the Executive Director to execute and deliver the contract amendment to Wells Fargo Bank N.A. 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**

Approval of this amendment will increase the current contract amount by \$121,136.28 for a total contract amount not to exceed \$334,536.30, which is funded by the Housing Authority of the County of San Bernardino's (HACSB) banking fees account and approved in the FY 2020-21 annual budget and will be included for the subsequent fiscal year included in this contract.

## **BACKGROUND INFORMATION**

Currently, HACSB utilizes Wells Fargo Bank N.A. (Wells Fargo) for its general banking services. Approval of this amendment will increase the contract through January 31, 2022.

In 2020, banking services costs have increased when compared to prior years due to the decrease in the earned credit rate (ECR). When financial institutions use ECRs, it reduces the fees customers pay for various banking services and provides other incentives. When the ECR decreases, those cost savings to the customer are not available. The ECR is a daily calculation of interest that a bank pays based on a customer's deposits of which is correlated with the United States Treasury bill rate, which has decreased significantly in this past year to the COVID-19 global pandemic and the overall change to the economic environment. Although we do not anticipate a significant increase in overall banking services, HACSB will have to pay more for these services since the earned credit that would have covered these costs in the past has significantly decreased. Additionally, the increase to the contract will include expenses towards the purchase and repair for check scanning machines to allow HACSB's offices to make deposits offsite.



On October 10, 2017 (Item No. 11) HACSB's Housing Commission awarded a contract to Wells Fargo for banking services for a two year base term beginning February 1, 2018 through January 31, 2020 with three one-year extension options through January 31, 2023 for an estimated amount not to exceed \$194,000 for the two year base period.

On March 7, 2018, the Executive Director executed Amendment No. 1 increasing the amount by \$19,400 for a total contract amount not to exceed \$213,400. A change order was implemented within the 10% authority of the Executive Director to approve.

On February 1, 2020, the Executive Director executed Amendment No. 2 to the contract exercising a one-year extension through January 31, 2021 with no additional cost to the contract.

On February 4, 2021, HACSB sent Wells Fargo a letter confirming the automatic extension of the term for the second option year of the Agreement, subject to approval by HACSB's Board of Commissioners at its April 2021 meeting of an additional appropriation to cover the funding for such option year.

#### **PROCUREMENT**

The Procurement and Contracts Department previously released a Request for Proposal (RFP) PC963 on July 24, 2017. Outreach efforts included invitations to seven vendors and posting on the agency's website. Four proposals were received in response to this RFP. Proposals were evaluated per the requirements of the RFP in which Wells Fargo Bank N.A. was the most qualified, best priced, and most responsive vendor selected to provide these services to the agency.

#### **REVIEW BY OTHERS**

This item has been reviewed by our General Legal Counsel, Fred Galante, on March 30, 2021.



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

**AMENDMENT #3 TO CONTRACT FOR BANKING SERVICES  
(PC963)**

**BETWEEN**

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

**And**

**WELLS FARGO BANK N.A.**

This Amendment No. 3, dated May 1, 2021, ("Third Amendment") to Services Agreement (PC963), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body ("Authority" or "HACSB") and Wells Fargo Bank, N.A., a national bank ("Contractor"). Authority and Contractor are collectively referred to as "Parties."

**RECITALS**

**WHEREAS**, the Authority and Contractor entered into that certain Services Agreement (Non-Construction), dated February 1, 2018, relating to Banking Services ("Agreement") with an Agreement Price of \$194,000.00.

**WHEREAS**, on March 7, 2018, the Authority and Contractor entered into Amendment No. 1 to the Agreement to increase the contract by \$19,400.00 needed to purchase additional property-based check scanners; and

**WHEREAS**, on February 1, 2020, the Authority and Contractor entered into Amendment No. 2 to the Agreement to exercise option year one of the Agreement with no additional cost to the contract.

**WHEREAS**, on February 4, 2021, the Authority sent Contractor a letter confirming the automatic extension of the term for the second option year of the Agreement, subject to approval by the Authority Board at its April, 2021 meeting of an additional appropriation to cover the funding for such option year.

**WHEREAS**, the Authority and Contractor now wish to enter into this Third Amendment to the Agreement to increase the contract by \$121,136.28 for a total amount not-to-exceed \$334,536.30 and replace Exhibits A and D to reflect the updated Statement of Work and Fee Schedule.

## 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 Original Statement of Work set forth on Exhibit “A” (original statement of work), 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.** Exhibit “A” referenced in and part of the Agreement shall be replaced in its entirety with the Exhibit “A” entitled “Original Statement of Work,” attached hereto and incorporated herein by this reference.

**Section 3.** Exhibit “A” shall include Contractor’s Fee Schedule. Contractor’s “Fee Schedule” or “fee schedule” shall mean the Wells Fargo Treasury Management Pro Forma dated January 2021, attached hereto as Exhibit 1, and incorporated herein by this reference.

**Section 4.** Exhibit “D” referenced in Article 3 of the Agreement and part of the Agreement shall be replaced in its entirety with the Exhibit “D” attached hereto and incorporated herein by this reference.

**Section 5.** Pursuant to Article 3 of the Agreement, the Agreement is extended through January 31, 2022, with the option to extend for one (1) additional one-year term through January 31, 2023.

**Section 6.** Article 4 of the Agreement is amended to read as follows, with the understanding that Contractor’s Fee Schedule shall apply beginning on the effective date of this Third Amendment, as set forth in Section 7 below:

**“Article 4. Price.** Authority agrees to pay Contractor for the provision of the Work per Contractor’s Fee Schedule that is included in Exhibit A.

**Section 7.** The effective date of this amendment is May 1, 2021.

**Section 8.** This Third Amendment may be executed in one or more counterparts, all of which taken together shall constitute a single document.

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

IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and Wells Fargo Bank N.A. have caused this Third Amendment to be duly executed and bound thereby.

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**WELLS FARGO BANK N.A.**

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

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

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

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

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

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

Name: Maria Razo

Title: Executive Director

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

# **Exhibit A**

## **Original Statement of Work**

Contractor shall furnish sufficient organization, personnel and management staff with the necessary skill and judgment to perform all the duties and responsibilities normally associated with providing comprehensive banking services to a large organization with public funds and federal reporting requirements as outlined in the RFP document.

### **Demand Depository**

The Authority anticipates maintaining an average collected balance in excess of \$22 million.

### **Wire Transfer**

Authority requires incoming wires, initiates outgoing wires and completes intra-book transfers.

### **ACH**

Authority currently initiates two separate set of landlord payments via ACH files transmitted electronically for its Housing Choice Voucher Program. The estimated monthly ACH file amounts are \$1.2M and \$7.4M. Authority would also like to transition its account payable vendors to ACH/EFT. Total monthly ACH/EFT payments to vendors could range from \$500k to \$1M.

### **Collateralization of Deposits**

HUD guidelines require the banking institution to sign a general depository agreement and meet any statutory requirements to provide services, including:

- Eligible collateral instruments
- Independent third-party safekeeping requirement
- Substitution requirements

### **Online Banking**

Authority currently utilizes Yardi Systems, Inc. financial management system and uses daily online banking services with current financial institutions.

### **Monthly Statements and Account Analysis**

Contractor shall provide monthly statements in paper copy via mail but also has online access.

### **Electronic Storage of Documents**

Contractor shall provide electronic storage of documents including check transactions on CD.

### **Account Reconciliation**

Contractor shall provide partial account reconciliation with daily transmissions from the bank of checks paid information. Contractor shall provide full and deposit reconciliation.

### **Positive Payor "Payee" Positive Pay** Respondent should provide information on this service, such as:

Describe service, including positive pay services and verification items

- Teller data update schedules
- Data transmission method and time windows
- Control options - notification of default
- Internet/online access (including technical capabilities and system requirements)
- Provide sample report from the bank

## Stop Payment

In addition to normal services provided for accounts, Contractor shall provide the following:

1. Electronic transmission to/from Authority computers, by mail or internet access of the following items:
  - a. Daily reports on balances in each account
  - b. Daily debit and credit transactions for each account
  - c. Inquiry of status of checks
  - d. Request and confirmation of stop payments
  - e. Transfer of funds between Authority accounts
  - f. Transfer of funds to other financial institutions
  - g. Direct deposit of Section 8 payments. ACH credit should be scheduled to appear on the payees' accounts on the day of the submission. Authority software must be able to interface with ACH software.
  - h. Other various payments or receipts by ACH such as tax payments, HUD electronic payments and accounts payable payments.
  - i. Account reconciliation file or the ability to produce a file for reconciling all of the accounts.
  - j. View and print paid checks and deposits
2. Acknowledgement of all ACH transfers on the date received. Advice narrative provided by remitter should be provided no later than the next business day after the night that the ACHs are posted.
3. Printed two-part encoded deposit slips for each deposit account.
4. Same day processing of stop payment orders made by phone or electronic transmission.
5. Prompt delivery of bank statements after the last day of each month (not later than 5 business days) preferably through web/Internet interface.
6. Bank reconciliation files for all designated accounts within 10-15 days after end of month.
7. Phone or e-mail notification of discrepancies in deposits (e.g., cash shortages).
8. Designation of an account manager, who will be a single source of point of contact for all inquiries and problem resolution.
9. Ability to make ACH/EFT vendor payments.
10. Identify branch offices convenient to all Authority offices (available at website, [www.hacsb.com](http://www.hacsb.com))
11. Furnish research items within 24 hours.
12. Stop payments at no charge.
13. Sign and execute HUD required General Depository Agreement (HUD Form 51999) at no charge.
14. Lockbox service options and feature.

**Exhibit D**  
**Work Authorization**

**Schedule Dates:**

Start Date: May 1, 2021

Completion Date: January 31, 2022

**Total Agreement Price for the term February 1, 2021 through January 31, 2022:**

**Not to exceed \$334,536.30 – Option year 2.**

Statement of Work (“Exhibit A”) (including the Wells Fargo Treasury Management Pro Forma, dated January 2021 (“Contractor’s Fee Schedule”), attached as Exhibit 1 to Amendment #3 to Contract for Banking Services and made part of Exhibit “A”)

General Conditions for Non-Construction Work (“Exhibit B”)

Work Authorization (“Exhibit D”)

**Exhibit 1**  
**Wells Fargo Treasury Management Pro Forma**  
**Dated January 2021**





# Treasury Management Pro Forma

## Housing Authority of the County of San Bernardino

Pricing as of January 2021

### ANALYSIS SUMMARY

Average Positive Collected Balance	\$	57,953,530.00
Reserve Requirement @ 0.00%	\$	0.00
Investable Balance Available for Services	\$	57,953,530.00
Monthly Analyzed Charges	\$	11,295.71
Earnings Allowance @ 0.25%	\$	1,201.02
Net Monthly Analyzed Charges	\$	10,094.69
*Monthly Fee Based Charges	\$	0.00
Total Monthly Analyzed Charges	\$	10,094.69
*Charges not offset by balances		

### SERVICE DETAILS

WF Code	AFP Code	Service Description	Unit Price	Volume	Service Charges
<b>BALANCE &amp; COMPENSATION INFORMATION</b>					
IAMTH	000230	RECOUPMENT MONTHLY	0.12750	6,571	837.80
IAMIB	000230	RECOUPMENT MONTHLY IB	0.12750	51,418	6,555.80
<b>BALANCE &amp; COMPENSATION INFORMATION Subtotal</b>					<b>7,393.60</b>
<b>GENERAL ACCOUNT SERVICES</b>					
22051	010000	ACCT MAINTENANCE	10.00000	33	330.00
CK021	010100	DEBITS POSTED	0.05000	164	8.20
CK030	010410	CLIENT ANALYSIS STATEMENT-PAPER	1.00000	3	3.00
15007	010101	DESKTOP DEPOSIT-DEPOSIT CREDITED	0.50000	332	166.00
<b>GENERAL ACCOUNT SERVICES Subtotal</b>					<b>507.20</b>
<b>DEPOSITORY SERVICES</b>					
CK062	100416	CEO RETURN ITEM RETRIEVAL-IMAGE	0.10000	6	0.60
CK064	100416	CEO RETURN ITEM SERVICE MTHLY BASE	0.00000	7	0.00
CK061	100400	RETURN ITEM - CHARGEBACK	3.00000	5	15.00
CK075	100402	RETURN ITEM REDEPOSITED	2.00000	0	0.00
34235	100416	CEO RETN ITEM SUBSCRIPTION PER ACCT	0.00000	10	0.00
08052	100006	BRANCH DEPOSIT	1.50000	1	1.50
002	100225	DEPOSITED CHECK	0.12000	1	0.12
706	100224	DESKTOP DEPOSIT-DEPOSITED ITEM	0.08000	2,525	202.00
<b>DEPOSITORY SERVICES Subtotal</b>					<b>219.22</b>

WF Code	AFP Code	Service Description	Unit Price	Volume	Service Charges
<b>PAPER DISBURSEMENT SERVICES</b>					
DS191	150122	PAYEE VALIDATION STANDARD-ITEM	0.01500	418	6.27
22810	150500	WF CHK CASHED FOR NONACCT HOLDER	0.00000	3	0.00
34336	150724	POSITIVE PAY EXCEPTION - CEO IMAGE	0.15000	1	0.15
12812	151352	CEO IMAGE VIEW < 90 DAYS - ITEM	0.10000	6	0.60
12815	151352	CEO IMAGE VIEW > 90 DAYS - ITEM	0.10000	3	0.30
22225	150240	CHECK CASHING THRESHOLD MO BASE	0.00000	21	0.00
22245	150240	CHECKS PAY TO INDIV BLOCK MO BASE	0.00000	21	0.00
12816	151352	DESKTOP DEPOSIT IMAGES RETRIEVED	0.10000	1,195	119.50
22235	150240	OTC DEBIT BLOCK MONTHLY BASE	0.00000	21	0.00
12908	150310	POS PAY CHECKS WITH NO ISSUE RECORD	0.50000	1	0.50
12505	150222	POSITIVE PAY EXCEPTION CHECKS RETND	2.00000	1	2.00
12903	150310	POSITIVE PAY EXCEPTIONS - ITEM	1.00000	1	1.00
12907	150030	POSITIVE PAY MONTHLY BASE	15.00000	6	90.00
12682	150120	POSITIVE PAY ONLY - ITEM	0.08000	13	1.04
12681	150030	POSITIVE PAY ONLY MONTHLY BASE	15.00000	5	75.00
MD091	150240	PYMT AUTH MAX CHECK MTHLY BASE	10.00000	21	210.00
12670	150410	STOP PAYMENT - ONLINE	0.00000	4	0.00
22202	150100	DDA CHECKS PAID	0.10000	418	41.80
64104	151350	IFI MAINTENANCE PER PRODUCT	125.00000	1	125.00
64101	151354	IFI PAID CHECKS - IMAGE	0.03000	340	10.20
<b>PAPER DISBURSEMENT SERVICES Subtotal</b>					<b>683.36</b>
<b>PAPER DISBURSEMENT RECON SERVICES</b>					
34337	200201	CEO CHECK ISSUES-ITEM	0.01000	443	4.43
12687	209999	ARP AGED ISSUE RECORDS ON FILE-ITEM	0.02000	103	2.06
12377	200201	ARP FULL RECON-ITEM	0.02000	429	8.58
12060	200010	ARP MONTHLY BASE - FULL	25.00000	6	150.00
34350	200306	CEO ARP STMT & RPTS MONTHLY BASE	0.00000	6	0.00
<b>PAPER DISBURSEMENT RECON SERVICES Subtotal</b>					<b>165.07</b>
<b>GENERAL ACH SERVICES</b>					
CK018	250201	ELECTRONIC CREDITS POSTED	0.05000	432	21.60
ES703	250160	ACH ONLINE INQ 13 MONTHS RETENTION	0.00000	3	0.00
34342	250400	ACH CEO RETURN SUBSCRIPTION - ITEM	0.05000	33	1.65
34340	250400	ACH CEO RETURN SUBSCRIPTION-ACCOUNT	15.00000	8	120.00
ES280	250000	ACH MONTHLY BASE	25.00000	8	200.00
ES211	250102	ACH FUTURE DATED ITEM	0.04500	547	24.62
ES216	250102	ACH SAME DAY	0.25000	3,175	793.75
ES206	250120	ACH ORIGINATED - ADDENDA REC	0.02500	3,635	90.88
ES344	250202	ACH RECEIVED ITEM	0.05000	220	11.00
06505	250302	ACH RETURN ADMIN -ELECTRONIC	1.00000	6	6.00
ES802	250501	ACH TRANSMISSION SPECIAL	3.00000	28	84.00
WF Code	AFP Code	Service Description	Unit Price	Volume	Service Charges
ES361	250642	ACH REVERSAL - ITEM	2.00000	1	2.00
34333	251050	ACH CEO FRAUD FILTER REVIEW MO BASE	5.00000	15	75.00
34334	251050	ACH CEO FRAUD FILTER STOP MTHLYBASE	5.00000	18	90.00
ES481	250302	ACH NOC - INFO REPORTING ADVICE	0.00000	6	0.00
ES390	251070	ACH WELLS FARGO NOC-INFO REPT ADVIC	0.00000	7	0.00
34330	250703	ACH CEO SUBSCRIPTION - ACCOUNT	0.00000	17	0.00
34332	250703	ACH CEO SUBSCRIPTION - ITEM	0.00000	128	0.00
34285	250703	CEO ACH HYP ITM DET INQ - PER ITEM	0.00000	22	0.00
<b>GENERAL ACH SERVICES Subtotal</b>					<b>1,520.49</b>

WF Code	AFP Code	Service Description	Unit Price	Volume	Service Charges
<b>WIRE &amp; OTHER FUNDS TRANSFER SERVICE</b>					
ES030	350300	WIRE IN TO USA ACCT-USA DOMESTIC	5.00000	3	15.00
ES129	350523	WIRE WF CUST DRAWDOWN RESPONSE-USA	15.00000	8	120.00
ES141	350120	WIRE BOOK TRANSFER CEO/API	2.00000	14	28.00
ES139	350100	WIRE OUT DOMESTIC CEO/API	3.50000	2	7.00
<b>WIRE &amp; OTHER FUNDS TRANSFER SERVICE Subtotal</b>					<b>170.00</b>
<b>INFORMATION SERVICES</b>					
34421	400272	ARP STMTS & RPTS (CSV/EXCEL) / ITEM	0.00000	1,808	0.00
34420	400051	ARP STMTS & RPTS (CSV/EXCEL) BASE	0.00000	6	0.00
34123	40022Z	CEO ALERTS SERVICE - EMAIL	0.25000	569	142.25
34115	400272	CEO PREV DAY REPORTING ITEMS LOADED	0.02000	1,076	21.52
34100	400052	CEO PREV DAY REPORTING SUBSCRIPTION	17.50000	11	192.50
27707	400340	CEO SEARCH	0.50000	57	28.50
34212	400340	WIRE INQUIRY DETAIL PER ITEM-CEO	3.50000	5	17.50
34205	400003	WIRE TRANSFER REPORT BASE-CEO	1.50000	2	3.00
34250	400800	INFO REPORTING HISTORY STORAGE 30	0.00000	244	0.00
34252	400800	INFO REPORTING HISTORY STORAGE 90	0.00000	3,120	0.00
15017	400003	DESKTOP DEPOSIT MONTHLY BASE	20.00000	11	220.00
15003	400231	DESKTOP DEPOSIT REPORT PER ITEM	0.00000	1,195	0.00
34207	400274	WIRE TRANSFER RPRT PER ITEM-CEO	0.25000	46	11.50
<b>INFORMATION SERVICES Subtotal</b>					<b>636.77</b>
<b>*Total Fee Based Charges</b>					<b>0.00</b>
<b>Total Service Charges after Earnings Allowance</b>					<b>10,094.69</b>

ECR, Earning Credit Rate, is a variable rate subject to change based on market conditions.

This proposal was created for you based on your requirements and the services you expressed interest in. This document confirms the deposit and treasury management services and the prices that we plan to provide you based on certain assumptions including, projected volumes and other relevant information that you provided and the deposit and treasury management services you selected.

The pricing is subject to change if the actual volume and/or scope of services differ from the assumptions upon which the pricing estimate was based.

Please let us know if you believe this document does not accurately represent the prices or services you agreed to. For additional service definitions, please contact your Treasury Management Sales Consultant or visit: [www.wellsfargo.com/accountanalysis](http://www.wellsfargo.com/accountanalysis)

This document is a confidential pricing agreement between Wells Fargo Bank and the Customer. Neither party has the right to share this information with any entity or entities outside of their organization, without the permission of the other party.

## Elements charged based on occurrence

WF Code	AFP Code	Service Description	Volume	Unit Price
CK075	100402	RETURN ITEM REDEPOSITED	0	2.00000
22723	10001A	BRANCH DEPOSIT POST VERIFY	0	1.00000
24250	150340	OVERDRAFT CHARGE-PAID ITEM	0	5.00000
12906	150401	POSPAY VERIFICATION CALL-CASHED	0	10.00000
06502	250302	ACH RETURN ITEM-ELECTRONIC	0	1.00000
06507	250312	ACH RETURN UNAUTHORIZED -ELECTRONIC	0	1.00000
ES801	250501	ACH TRANSMISSION CHARGE	0	3.00000
ES230	250620	ACH DELETE - ITEM	0	2.00000
34338	251052	ACH CEO FRAUD FILTER STOP - ITEM	0	0.50000
34335	251053	ACH CEO FRAUD FILTER REVIEW - ITEM	0	0.50000
ES231	250620	ACH DELETE/REVERSE - BATCH/FILE	0	1.50000
ES072	350412	WIRE MAIL CONFIRMATION	0	2.00000
22990	401001	PHOTOCOPY CUSTOMER SERVICE - ITEM	0	10.00000
22094	450200	SWEEP STAGECOACH MUTUAL FND MO BASE	0	0.00000
64100	151357	IFI SETUP PER PRODUCT	0	0.00000
12021	200410	ARP SET UP	0	0.00000
ES201	251000	ACH SET UP	0	0.00000
06094	251001	ACH FRAUD FILTER - SET UP	0	0.00000
18325	359999	WIRE ACCOUNT ADD CEO/API	0	0.00000

Zero Volume Elements - Elements with zero volume are not included in the estimated monthly analysis fee but are included for disclosure purposes.

06094, 06502, 06507, 12021, 12906, 18325, 22094, 22723, 22990, 24250, 34335, 34338, 64100, CK075, ES072, ES201, ES230, ES231, ES801

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

**April 13, 2021**

**FROM**

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

**SUBJECT**

**Regular Meeting Minutes for Meeting Held on March 9, 2021**

**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 March 9, 2021.  
(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 March 9, 2021 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 General Legal Counsel, Fred Galante, on April 8, 2021.

**MINUTES OF A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF  
THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO  
March 9, 2021**

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 850 0447 5625, Password 778931) at 3:00 p.m. on March 9, 2021.

The meeting was called to order, and upon roll call, the following were present:

Commissioner Johnson  
Commissioner Cooper  
Commissioner MacDuff  
Commissioner Miller  
Commissioner Muñoz  
Commissioner Tarango

Also in attendance were: Maria Razo, Executive Director; Gus Joslin, Deputy Executive Director; Rishad Mitha, Director of Operations; Jennifer Dawson, Director of Human Resources; Nicole Beydler, Sr. Management Analyst; Renee Kangas, Management Analyst; Jesse Diaz, Finance Manager; Angie Lardapide, Procurement and Contracts Supervisor; Ron Ruhl, Real Estate Development Manager; Kristin Maithonis, Assistant Director of Housing Services; Perlie Liu, Asset Management Analyst; Remy Gaither, Family Empowerment Services Manager; and Claudia Hurtado, Executive Assistant.

Also, present, Fred Galante, Legal Counsel to the Housing Authority.

The Chairman called for additions or deletions to the March 9, 2021 agenda. There were none.

The Chairman provided an opportunity for members of the public to address the Board of Commissioners. Secretary of the Board, declared a public comment had been submitted and read out loud the public comment to the board.

"Good Afternoon ladies and Gentlemen,

My name is Kristin Walker and I'm the daughter of Joe Walker who was a Veteran both residing at Veterans Village in Loma Linda through Hud Vash. My father and I completed all required documents to add me to the household and to the lease per Property Management and also HACSB at the end of 2019. My dad passed away unexpectedly on Oct.14 2021. On Oct. 18, 2021, I received a letter from HACSB to terminate the rental assistance based on the death of the head of household. I spoke to Jessee Wu, Director of Hud who told me that "Joe was a single member household" and I also spoke to Carmen Macias who is my father's Hud Vash case manager who said "Joe was never a single member household because Joe's daughter was named on the voucher and on the lease with him". I have also been denied my request to have an informal hearing on behalf of my father". – Kristin Walker.

The Executive Director's Report was requested.

Executive Director Razo gave the Executive Director's Report.

In reference to the Executive Director's Report, Commissioner MacDuff, congratulated Nicole Beydler in her new position to Director of Policy and Public Relations. Commissioner MacDuff also provided a recommendation for the virtual Hill Visits, to provide stories similar to the stories provided in the Executive Director's Report.

In reference to the Executive Director's Report, Chair Johnson, congratulated Nicole Beydler in her new position to Director of Policy and Public Relations. Chair Johnson recommended, when conducting Hill visits, to keep the groups to a minimum to ensure the meetings are kept on schedule.

In reference to the COVID-19 vaccines in the Executive Director's Report, Commissioner Johnson, recommended Walgreens, and CVS as they are offering free vaccines to seniors. Also, in regards to remote working and staff volunteering to be vaccinated, Commissioner Johnson inquired if the agency would be considering mandatory vaccinations for its employees and returning the workforce back to the office. He followed this inquiry up by saying this is a statement and can be followed up at another time.

Executive Director, Maria Razo provided an update regarding the reopening plan. The reopening planning committee has been working on a process of reopening the offices and will undergo a phased approach. We are looking into reopening within a few weeks and plan to communicate this message with staff with at least a 30-day notice. The plan does include telecommuting as much as possible. The first phase will commence next week, which will be the restarting of workorders and housing quality inspections. Phase 2 will be opening the lobbies for appointments.

Executive Director, Maria Razo, also reports a new update that the Senate recently passed HR1319, the American Rescue Plan Act of 2021, expected to pass the House at the end of the week and then signed by the president shortly thereafter.

The Board Building Presentation for March 9, 2021 regarding an overview of the Housing Authority of the County of San Bernardino's cost reduction measures, was requested.

The Board Building Presentation for March 9, 2021 regarding an overview of the Housing Authority of the County of San Bernardino's cost reduction measures, was presented by Kristin Maithonis, Assistant Director of Housing Services.

Commissioner MacDuff inquired about the over housed families and why are there so many families that are over housed. Kristin Maithonis provided examples of which families may have become over housed such as taking advantage of a changing rental market including low cost rentals.

Chair Johnson asked if the HACSB team discussed the approach to implement notifying over housed participants during their recertification of a rent increase and inform the participants they will need to pay the difference or to start searching for a right sized unit at their next recertification.

Executive Director, Maria Razo, explained that due to not enough of a sample size of submarkets to bedroom sizes analysis was not conducted to come up with an appropriate average HAP. Maria Razo recommended to table the discussion portion to the slides discussing Option 3-Disallow Larger Unit Size at Lease-Up.

Kristin Maithonis continued with the board building presentation.

Commissioner Johnson asked, in regard to right-sized unit requirement slides, how many families are below submarket rent?

Kristin Maithonis answered by stating about 42% of participants are below the right sized payment standards.

Sr. Management Analyst, Nicole Beydler, added the analysis of the Local Payment Standard increases presented to the Board of Commissioners at the December 8<sup>th</sup> meeting, provided the number of families that have a current lease rent that is below payment standard, the analysis provided a fair estimate of how much room is available for a rent increase. A more fair estimate would be to look at new leases for they tend to come in at a higher rent.

Rishad Mitha, Director of Operations added, an additional area of risk that is part of the analysis. The family does not need to stay with in a specific submarket. The family can move to a more expensive area that adds a higher subsidy cost related to the move.

Commissioner Johnson followed up with the question of wouldn't there be a reduction due to the participant being over housed and the overall Housing Authority liability is less.

Rishad Mitha explained, it would depend on what type of HAP is being paid at the moment for the over housed unit and region of the property.

Commissioner Tarango provided a comment that due to the housing shortage of lack of rentals and historic high rents, it would be difficult to accurately calculate an estimate.

Approval for discussion calendar item number 6, to Discuss cost reduction measures for the Moving to Work Housing Choice Voucher program and provide direction to staff on next steps, was requested.

Executive Director Razo explained the item.

Commissioner Tarango, providing insight and agreeing with the recommendation of option number 3. It is not a good market for rentals, and not enough inventory available. Commissioner MacDuff added, by stating she agrees with Commissioner Tarango's statement, also appreciates the analysis the Housing Authority staff in providing the information in helping to make an informed decision. Commissioner Cooper agrees with the recommendation of option 3, also recommended into researching potential incentives to encourage over house families to right size. Maria Razo, Executive Director, answered by stating, upon further analysis for option 4 of increasing the tenant rent portion, we would need HUD approval to increase rent at a phased approach. We are at 30% right now and can move up to 33% then 36%, however would need additional HUD approval to increase from 30% to 36% as well as looking into implementing a housing allowance additional (flat subsidy) and the team is working on the analysis now. Another factor is the pilot homeless programs creating an impact to cost. Commissioner MacDuff requested to add to the analysis, the housing allowance option and incentivize right sizing a unit to avoid future over housing. Commissioner Johnson stated that he agreed with the recommendation and Commissioner MacDuff's statement. Commissioner Johnson asked what is



the attrition average per year? Maria Razo, Executive Director answered by stating high 30s per month. Commissioner Johnson asked, what is the anticipated budget deficit for the year? Maria Razo, Executive Director answered by stating, the budget for 2021 has not yet been released or received from HUD. Funding will be retroactive to January 1, 2021, once received from HUD.

Commissioner Tarango moved to approve Option 3 with the addition of more analysis on incentivizing families to right size a unit for the discussion calendar item number 6, Discuss cost reduction measures for the Moving to Work Housing Choice Voucher program and provide direction to staff on next steps, which motion was duly seconded by Commissioner Cooper, and upon roll call, the Ayes and Nays were as follows:

Ayes

Commissioner Johnson  
Commissioner Cooper  
Commissioner MacDuff  
Commissioner Muñoz  
Commissioner Tarango

Nays

Commissioner Miller was not available to vote.

Approval for the discussion calendar item number 7, to Approve an increase in appropriations for agency-wide computer hardware and supplies with Dell Marketing L.P. by \$60,000 for a total amount not to exceed \$310,000 through July 31, 2021, was requested.

Executive Director Razo explained the item.

Commissioner Muñoz moved to approve the discussion calendar item number 7 Approve an increase in appropriations for agency-wide computer hardware and supplies with Dell Marketing L.P. by \$60,000 for a total amount not to exceed \$310,000 through July 31, 2021, 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 Muñoz  
Commissioner Tarango

Nays

Commissioner Miller was not available to vote.

Approval of the consent calendar agenda items numbers 8-10, to:

8) Approve the meeting minutes for the Board of Commissioners of the Housing Authority of the County of San Bernardino Regular Meeting held on February 9, 2021.

9) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month ending in December 2020.

10) Approve and file Agency-wide Financial Statements through November 2020.

Commissioner Tarango moved to approve consent calendar agenda items numbers 8-10 to:

8) Approve the meeting minutes for the Board of Commissioners of the Housing Authority of the County of San Bernardino Regular Meeting held on February 9, 2021.

9) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month ending in December 2020.

10) Approve and file Agency-wide Financial Statements through November 2020, which motion was duly seconded by Commissioner Muñoz, and upon roll call the Ayes and Nays were as follows:

Ayes

Commissioner Johnson  
Commissioner Cooper  
Commissioner MacDuff  
Commissioner Muñoz  
Commissioner Tarango

Nays

Commissioner Miller not available to vote.

Chairman provided an opportunity for individual Board member comments. Commissioner MacDuff made a comment regarding Potomac Partners monthly report and the news of earmarks becoming available and hopefully housing would be one of the six program areas that the House will designate funding to.

There being no other business, Commissioner Tarango moved for the regular meeting of Tuesday, March 9, 2021 to be adjourned, which motion was duly seconded by Commissioner Muñoz, and upon roll call, the Ayes and Nays were as follows:

Ayes

Commissioner Johnson  
Commissioner Cooper  
Commissioner MacDuff  
Commissioner Muñoz  
Commissioner Tarango

Nays

Commissioner Miller not available to vote.

The meeting adjourned at 4:15 p.m.

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Tim Johnson, Chair

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Beau Cooper, Vice Chair

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Cassie MacDuff

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Sylvia Miller

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Jessie Muñoz

---

Bobby Tarango

Attest:

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Secretary

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

**April 13, 2021**

## **FROM**

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

## **SUBJECT**

**Agency-wide Financial Statements through December 2020**

## **RECOMMENDATION(S)**

**Approve and file Agency-wide Financial Statements through December 2020.  
(Presenter: Maria Razo, Executive Director, 332-6305)**

## **GOALS & OBJECTIVES**

**We have a healthy organization marked by financial stability and a culture of respect, empowerment, and passion for the mission.**

## **FINANCIAL IMPACT**

The Housing Authority of the County of San Bernardino's (HACSB) year-to-date agency-wide net income through December 2020 for Federal Fiscal Year (FFY) 2020-21 is \$2,902,792. The net income is currently greater than the anticipated \$390,173 net income, with a variance of \$2.5 million, primarily due to physical needs assessment work and capital projects that were budgeted, but not completed in the amount of \$2.4 million (reflected in the extraordinary maintenance expenses line and the grant expense item). There were also lower than anticipated costs in administrative and maintenance expenses mainly due to pending computer equipment and software purchases, lower maintenance and contract costs due to deferred internal maintenance as a result of the pandemic, and several vacant positions (\$1.5 million). Depreciation expense is not budgeted and amounted to \$1.5 million through December 2020.

<b>Financial Summary</b>	<b>FY 2021 YTD</b>
Revenues	\$40,296,300
Expenses	\$35,930,625
Operating Gain	\$4,365,675
Operating Transfers/Non-Operating Items	\$(1,462,883)
<b>Net Income/(Loss)</b>	<b>\$2,902,792</b>

## **BACKGROUND INFORMATION**

HACSB administers multiple housing programs and is the largest provider of affordable housing in the County of San Bernardino. The FFY 2020-21 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 through the challenges presented by the pandemic. FFY 2020-21 is expected to be another challenging year due to the following:

- COVID-19 pandemic related:

- Continued increases in housing assistance payment costs in the Housing Choice Voucher Program *related to families income decreasing and total contract rent increasing*, which causes a corresponding increase on the portion that the agency pays the landlord on behalf of the program participating family.
- Increases in agency costs (i.e. Office modifications, cleaning costs, paid leave, technology, etc.).
- Rental income losses related to the eviction moratorium in the Authority Owned portfolio.
- Inconsistent staffing levels due to childcare and health issues.
- The need to continue to address the physical needs assessment identified repairs within the Authority Owned Portfolio. Maintenance of aging properties is extremely costly, but it is needed to preserve our affordable housing developments. Some of this work has been deferred to account for rental income losses resulting from the pandemic.
- Increases to employer paid medical, dental and pension benefits.

Despite these challenges, we continue to focus on maintaining the agency's fiscal stability, customer service, innovation, enhancing partnerships that will assist our staff and families, and a continued passion for our agency's mission.

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 General Legal Counsel, Fred Galante, on March 26, 2021.

## HACSB Budget Comparison

Period = Oct 2020-Dec 2020

	YTD Actual	YTD Budget	Variance	% Var	Annual
INCOME					
TENANT INCOME					
Total Rental Income	6,636,849	6,168,556	468,293	7.59	24,674,224
Total Other Tenant Income	114,869	150,137	-35,268	-23.49	600,191
NET TENANT INCOME	6,751,718	6,318,693	433,025	6.85	25,274,415
GRANT INCOME					
TOTAL GRANT INCOME	32,247,117	32,553,778	-306,661	-0.94	130,215,112
OTHER INCOME					
TOTAL OTHER INCOME	1,297,464	2,134,532	-837,068	-39.22	5,541,077
TOTAL INCOME	40,296,300	41,007,003	-710,703	-1.73	161,030,604
EXPENSES					
GRANT EXPENSES					
TOTAL GRANT EXPENSES	1,422,067	3,449,322	2,027,256	58.77	13,797,290
ADMINISTRATIVE					
Total Administrative Salaries	3,266,939	3,682,431	415,492	11.28	14,734,032
Total Legal Expense	56,914	69,269	12,355	17.84	277,685
Total Other Admin Expenses	1,474,280	1,403,369	-70,912	-5.05	5,685,778
Total Miscellaneous Admin Expenses	460,613	889,175	428,561	48.20	2,428,595
TOTAL ADMINISTRATIVE EXPENSES	5,258,747	6,044,243	785,496	13.00	23,126,090
TENANT SERVICES					
TOTAL TENANT SERVICES EXPENSES	15,218	129,778	114,561	88.27	519,252
UTILITIES					
TOTAL UTILITY EXPENSES	794,271	952,910	158,639	16.65	3,825,949
MAINTENANCE AND OPERATIONS					
Total General Maint Expense	664,614	633,922	-30,691	-4.84	2,535,690
Total Materials	164,535	253,859	89,324	35.19	1,015,965
Total Contract Costs	485,638	1,106,410	620,771	56.11	4,401,221
TOTAL MAINTENANCE EXPENSES	1,314,787	1,994,191	679,404	34.07	7,952,877
GENERAL EXPENSES					
TOTAL GENERAL EXPENSES	179,111	319,488	140,376	43.94	1,141,404
EXTRAORDINARY MAINTENANCE EXPENSES					
TOTAL EXTRAORDINARY MAINTENANCE EXPENSES	693,749	1,152,433	458,683	39.80	5,468,747
HOUSING ASSISTANCE PAYMENTS					
TOTAL HOUSING ASSISTANCE PAYMENTS	25,871,995	26,193,173	321,178	1.23	104,772,691
FINANCING EXPENSE					
TOTAL FINANCING EXPENSES	380,680	381,293	613	0.16	1,525,172
TOTAL OPERATING EXPENSES	35,930,625	40,616,830	4,686,205	11.54	162,129,472
<b>OPERATING NET INCOME</b>	<b>4,365,675</b>	<b>390,173</b>	<b>3,975,502</b>	<b>1,018.91</b>	<b>-1,098,868</b>
NET OPERATING TRANSFER IN/OUT	0	0	0	N/A	0
NON-OPERATING ITEMS					
TOTAL NON-OPERATING ITEMS	1,462,883	0	-1,462,883	N/A	0
NET INCOME	2,902,792	390,173	2,512,620	643.98	-1,098,868

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

**April 13, 2021**

## **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 January 2021

## **RECOMMENDATION(S)**

Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month ending in January 2021.

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

## **GOALS & OBJECTIVES**

**HACSB communication is open, honest and consistent.**

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

## **FINANCIAL IMPACT**

The accounts receivable losses for the month ending January 31, 2021 is \$11,738.45. 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., and also include public housing developments converted through the United States Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program.

Despite the agency's 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. Please note that due to the rental eviction moratorium, all of the losses during this time period are for voluntary move outs and skips, with the exception of two evictions served on December 22, 2020 due to criminal activity and one termination due to failure to comply with HACSB's program requirements. The total write off for the month of January 2021 is \$11,738.45 as delineated in the following table. Attached is a worksheet that itemizes the individual accounts.

Vacated Tenant Accounts for the Authority Owned Portfolio to be Written Off as Collection Loss  
for the Month Ending January 2021  
April 13, 2021

<b>SUMMARY BY PROPERTY MANAGEMENT</b>		
<b>PROPERTY</b>	<b>NO. VACATED</b>	<b>TOTAL</b>
205 – Redlands	1	\$4,330.00
206 – Colton	1	\$442.00
407 – Sunset Pointe	3	(\$2,222.00)
408 – Sunrise Vista	4	\$455.57
409 – Andalusia	1	\$682.00
425a – Sequoia	1	\$182.00
Concessions Write Off		\$875.00
<b>TOTAL RENT WRITE OFF</b>	<b>9</b>	<b>\$4,744.57</b>
Miscellaneous Charges		\$381.21
Maintenance Charges		\$11,381.67
Legal Charges		\$1,500.00
Security Deposits Applied		(\$6,269.00)
<b>NET TOTAL WRITE OFF</b>		<b>\$11,738.45</b>

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on March 29, 2021.



# Housing Authority County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End:

01/31/21

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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## 205 - Redlands

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
1	R.	C.		Termination	433.00	4,330.00		535.71	679.00		5,544.71	675.00	4,869.71
2													
TOTALS:						4,330.00	-	535.71	679.00	-	5,544.71	675.00	4,869.71

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	60 Day to Quit- Recert	10/13/20	Posted	N/A	N/A	N/A	N/A	N/A	N/A	01/04/21
2										

## 206- Colton

1	G.	S.		V	272.00	-	-	(154.50)	972.00	-	817.50	500.00	317.50
2	S.	M.		V	479.00	442.00	-	-	1,312.20	-	1,754.20	1,000.00	754.20
3													
4													
TOTALS:						442.00	-	(154.50)	2,284.20	-	2,571.70	1,500.00	1,071.70

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	30 Day Notice to Vacate	01/11/21	NA	NA	NA	NA		NA	NA	01/19/21
2	30 Day Notice to Vacate	11/30/20	NA	NA	NA	NA		NA	NA	01/07/21
3										
4										

\*Reasons: E=Eviction S=Skip V=Voluntary T=Terminated Tenancy \*\*Unpaid Misc.: Stipulated agreements for rent, maintenance charges, late charges, etc.

# Housing Authority County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End:

01/31/21

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	W.	A.					-		(588.05)		(588.05)		(588.05)
2	V.	J.					-		(190.00)		(190.00)		(190.00)
3	K.	A.					-		190.00		190.00		190.00
4	B.	F.		S	875.00	(2,345.00)	875.00		1,947.58		477.58	400.00	77.58
5	T.	L.		S	725.00	97.00	-		924.00		1,021.00	300.00	721.00
6	W.	L.		V	825.00	26.00	-		274.00		300.00	100.00	200.00
							-				-		-
<b>TOTALS:</b>						<b>(2,222.00)</b>	<b>875.00</b>	<b>-</b>	<b>2,557.53</b>	<b>-</b>	<b>1,210.53</b>	<b>800.00</b>	<b>410.53</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	Collection on bad debt									
2	Payment on bad debt									
3	Correction to previous month write off									
4	Skip								Paid lease break fee	01/01/21
5	Skip									01/04/21
6	30 Day Notice	12/01/20								01/04/21

<b>408 - Sunrise Vista</b>													
7	F.	S.					-		(200.00)		(200.00)		(200.00)
8	C.	E.		V	825.00	100.00	-		1,224.00		1,324.00	400.00	924.00
9	S.	F.		E	895.00	252.57	-		534.44	750.00	1,537.01	895.00	642.01
10	D.	M.		E	825.00	76.00	-		1,139.50	750.00	1,965.50	400.00	1,565.50
11	R.	D.		S	825.00	27.00	-		1,259.00	-	1,286.00	400.00	886.00
<b>TOTALS:</b>						<b>455.57</b>	<b>-</b>	<b>-</b>	<b>3,956.94</b>	<b>1,500.00</b>	<b>5,912.51</b>	<b>2,095.00</b>	<b>3,817.51</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
7	Payment on bad debt									
8	30 Day Notice	11/01/20								01/04/21
9	Eviction/Criminal	12/22/20	Posted	12/18/20	12/22/20	N		12/28/20	turned in keys	01/04/21
10	Eviction/Criminal	12/22/20	Posted	12/18/20	12/22/20	N		12/28/20	turned in keys	01/27/21
11	Skip									01/04/21

\*Reasons: E=Eviction S=Skip V=Voluntary T=Terminated Tenancy \*\*Unpaid Misc.: Stipulated agreements for rent, maintenance charges, late charges, etc.

# Housing Authority County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End:

01/31/21

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>409 - Andalusia</b>													
1	W.	J.		V	682.00	682.00	-	-	180.00	-	862.00	599.00	263.00
2													
3													
4													-
5													-
<b>TOTALS:</b>						<b>682.00</b>	<b>-</b>	<b>-</b>	<b>180.00</b>	<b>-</b>	<b>862.00</b>	<b>599.00</b>	<b>263.00</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	30-Day Notice	12/31/20	NA	NA	NA	NA		NA	NA	01/31/21
2										
3										
4										
5										

<b>425a - Sequoia</b>													
12	M.	W.							825.00		825.00		825.00
13	M.	M.		V	800.00	182.00			899.00		1,081.00	600.00	481.00
											-		-
<b>TOTALS:</b>						<b>182.00</b>	<b>-</b>	<b>-</b>	<b>1,724.00</b>	<b>-</b>	<b>1,906.00</b>	<b>600.00</b>	<b>1,306.00</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	Adjustment to previous month write off									
13	30 Day Notice	12/10/20								01/05/21

<b>ALL PROPERTY TOTALS:</b>						<b>3,869.57</b>	<b>875.00</b>	<b>381.21</b>	<b>11,381.67</b>	<b>1,500.00</b>	<b>18,007.45</b>	<b>6,269.00</b>	<b>11,738.45</b>
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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.