

**AGENDA AMENDMENT**

**02/09/2024** - Board agenda item number  
12 to be pulled.

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

TO BE HELD AT 715 EAST BRIER DRIVE  
SAN BERNARDINO, CALIFORNIA  
FEBRUARY 13, 2024 AT 3:00 P.M.

**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, you may do so during the meeting or, alternatively, please submit your comments via email 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/> or 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) Select a Chair and Vice-Chair from among the Board of Commissioners of the Housing Authority of the County of San Bernardino to serve until January 14, 2025.  
(pages 1-2)
- 5) Receive the Executive Director's Report for February 13, 2024.  
(Page 3)
- 6) Receive the board building presentation for February 13, 2024, highlights of the Housing Authority of the County of San Bernardino's FY 2023 Moving to Work Annual Report.  
(Pages 4)
- 7) Adopt Resolution No. 192 approving revisions to the Housing Authority of the County of San Bernardino's Personnel Policy Handbook.  
(Pages 5-18)

- 8) Adopt Resolution No. 191 approving revisions to the Employee Compensation Philosophy and Administrative Guidelines.  
(Pages 19-27)
- 9) 1. Approve Resolution No. 189 awarding a predevelopment contract, effective February 17, 2024, to National Community Renaissance of California, for predevelopment services for Phase IV of the development project at Arrowhead Grove, in the city of San Bernardino.
2. Authorize and direct the Executive Director to execute and deliver the contract to National Community Renaissance of California, and any other related documents, upon consultation with Legal Counsel.  
(Pages 28-36)
- 10) 1. Approve Resolution No. 193:
- a. Commit to working with National Community Renaissance, if approved as developer partner, on an application for funding from the Affordable Housing for Sustainable Communities Grant to finance, in part, the construction of 92 multi-family housing units for Arrowhead Grove Phase IV.
  - b. Committing to ground lease the project site located at Baseline and Waterman Gardens in the City of San Bernardino to developer subject to receipt of a California Tax Credit Allocation Committee four percent (4%) Low-Income Housing Tax Credit allocation.
  - c. Committing Faircloth Rental Assistance Demonstration project-based voucher subsidy to the proposed 92-unit development.
  - d. Authorizing the Executive Director, upon consultation with Legal Counsel, to execute certain agreements and documents relating to the project.
2. Direct the Executive Director to transmit all documents to the Secretary within 30 days of execution.  
(Pages 37-42)
- 11) Adopt Resolution No. 188 authorizing the Executive Director, upon consultation with legal counsel, to execute, finalize and record a Declaration of Trust between the Housing Authority of the County of San Bernardino and the U.S. Department of Housing and Urban Development regarding Valencia Grove Phase III and any ancillary documents necessary to effectuate the recordation.  
(Pages 43-47)
- [REDACTED]

- 13) 1. Approve Amendment No. 1 to Contract No. PC1356, effective February 14, 2024, for financial advisory services to CSG Advisors, Inc., increasing the current amount by \$175,000 for a total contract amount not to exceed \$250,000 through September 14, 2024.
2. Authorize and direct the Executive Director to execute and deliver the contract amendment to CSG Advisors, Inc. and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.  
(Pages 52-57)

- 14) 1. Approve contract No. PC1352, effective February 25, 2024, with National Credit Reporting for Tenant Screening Services, in an amount not to exceed \$320,000 for a two-year base period with three single or multiple year option extensions through February 24, 2029.
2. Authorize and direct the Executive Director to execute and deliver Contract No. PC1352 to National Credit Reporting, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.  
(Pages 58-86)
- 15) 1. Approve Amendment No. 8 to contract No. PC1203, effective February 29, 2024, with Intergrated Security Management Group for Armed Guard Services increasing the current contract by \$105,000 for a total amount not to exceed \$578,536.00 through February 28, 2025.
2. Authorize and direct the Executive Director to execute and deliver the contract amendment to ISMG and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.  
(Pages 87-93)

## **CONSENT CALENDAR**

### APPROVAL OF CONSENT ITEMS: # 16-19

- 16) Approve the meeting minutes for the regular meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on January 9, 2024.  
(Pages 94-100)
- 17) Approve and file Agency-wide Financial Statements through September 2023.  
(Pages 101-104)
- 18) Approve and file Agency-wide Financial Statements through October 2023.  
(Pages 105-108)
- 19) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of November 2023.  
(Pages 109-115)
- 20) Individual Board member comments.
- 21) 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 meeting.

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 Cynthia Robinson at (909) 890-5388 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**

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

Selection of Chair and Vice-Chair of the Board of Commissioners for the Housing Authority of the County of San Bernardino

## **RECOMMENDATION(S)**

Select a Chair and Vice-Chair from among the Board of Commissioners of the Housing Authority of the County of San Bernardino to serve until January 14, 2025.

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

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.**

**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

## **FINANCIAL IMPACT**

The proposed amendment has no budgetary impact on the Housing Authority of the County of San Bernardino's (Housing Authority) annual budget.

## **BACKGROUND INFORMATION**

Per Article II, Sections 2 and 3 of the Housing Authority Bylaws, the Chair and Vice-Chair shall be selected at the first meeting of the Housing Authority each calendar year from among the Board of Commissioners (Board) of the Housing Authority and shall hold office for 1 year or until the Chairperson's successor is elected and qualified. It is recommended that the following procedure be followed to accomplish the selection of Chair and Vice-Chair.

### **Procedure:**

1. The Housing Authority General Counsel calls for nominations for the office of Chair.
2. Nominations are made by one Commissioner and seconded by another Commissioner.
3. After a nomination is made and seconded, the Housing Authority Secretary calls for the vote for the nominated Commissioner. Each Commissioner may cast one verbal vote. The nomination is confirmed by a majority vote of the Board. If a nomination fails to be confirmed, the Housing Authority General Counsel repeats the process of calling for nominations until a nomination is confirmed by a majority vote of the Board.
4. The Housing Authority Secretary then calls for nominations for the office of Vice-Chair.
5. After a nomination is made and seconded, the Housing Authority General Counsel calls for the vote for the nominated Commissioner. Each Commissioner may cast one verbal vote. The nomination is confirmed by a majority vote of the Board. If a nomination fails to be confirmed, the Housing Authority General Counsel repeats the process of calling for nominations until a nomination is confirmed by a majority vote of the Board.

## **REVIEW BY OTHERS**

Selection of Chair and Vice Chair  
February 13, 2024

This item has been prepared by General Legal Counsel, Fred Galante on December 21, 2023

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

**February 13, 2024**

**FROM**

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

**SUBJECT**

**Executive Director's Report for February 13, 2024**

**RECOMMENDATION(S)**

Receive the Executive Director's Report for February 13, 2024.  
(Presenter: Maria Razo, Executive Director, 332-6305)

**STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.**  
**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

**FINANCIAL IMPACT**

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 U.S. Department of Housing and Urban Development.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on January 24, 2024.

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

**February 13, 2024**

**FROM**

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

**SUBJECT**

**Board Building Presentation for February 13, 2024**

**RECOMMENDATION(S)**

Receive the board building presentation for February 13, 2024, highlights of the Housing Authority of the County of San Bernardino's FY 2023 Moving to Work Annual Report.  
(Presenter: Maria Razo, Executive Director, 332-6305)

**STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

**Aspirational Statement #5: To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing our resources by mobilizing the talents of our community partners.**

**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 U.S. Department of Housing and Urban Development's (HUD) Commissioner Lead the Way Training and Moving to Work designation responsibilities, 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 highlights of HACSB's FY 2023 MTW Annual Report.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on, January 24, 2024.

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

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

**Employee Handbook Policy Revisions**

## **RECOMMENDATION(S)**

Adopt Resolution No. 192 approving revisions to the Housing Authority of the County of San Bernardino's Personnel Policy Handbook.

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

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #1: To ensure that our agency's culture empowers and values our team through effective communication, learning opportunities, work life balance, professional development, and a shared passion for the mission.**

## **FINANCIAL IMPACT**

Approval of the proposed revisions to the Personnel Policy Handbook (Handbook) may have a 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 policy by employees.

## **BACKGROUND INFORMATION**

HACSB conducts a review of policies within the Handbook on a regular basis for changes in HACSB practices and applicable law. As part of the recent legal updates for 2024 and review by Human Resources, the following policy changes are being requested.

2000 Employment Classification Status – This policy revision adds that a probationary period may be extended for an employee who transfers or promotes within their first year of employment. This is a current practice in place.

2016 Performance Evaluation, Salary Increase & Job Descriptions – This policy revision refers to the Compensation Philosophy in place for salary related changes.

4000 Technology Usage – The policy revision is a step in our larger efforts to ensure system security and that employees are taking responsibility with their activity as relates to the security of HACSB systems. We are continuing to look at our larger technology policy to align with an evolving environment and will be bringing that to the board within the next few months.

4011 Telecommuting – This policy revision adds clarifying language that employees who are on a leave greater than 60 days would not be eligible for telecommuting upon returning to work. This revision will allow the employee to re-acclimate to the work and environment in order to resume a telecommute schedule and be productive while working from home.

5006 Sick Leave and Kin Care Benefits – This policy update is consistent with Senate Bill 616 which requires employers in the State of California to provide at minimum 5 days or 40 hours of paid sick time (whichever is more) to employees. This change only applies to part-time staff at HACSB as all full-time staff are already receiving more than the required amount.

5012 Bereavement Leave – The policy update is consistent with Senate Bill 848 which requires employers to provide eligible employees with up to five days of protected leave after a reproductive loss event.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on January 31, 2024.

**HOUSING AUTHORITY RESOLUTION NO. 192**

**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 legal updates for 2024, as well as additional revisions for other practices.

**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 additions and revisions to the HACSB Employee Policy Handbook, as shown on Exhibit "A" attached hereto.

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, February 13, 2024.

\_\_\_\_\_  
Secretary

## 2000 Employment Classifications and Status

### Classifications:

Regular full-time employees are employees who have satisfactorily completed their probationary period and are regularly scheduled to work at least forty (40) hours per week. Regular full-time employees are eligible for all of the benefits set forth in the following pages. Regular full-time employees shall be subject to demotion, loss of pay, or termination only by the procedures contained herein (Chapter II, Policy 2021).

Probationary full-time employees are employees who are regularly scheduled to work at least forty (40) hours per week and are newly hired to a full-time position. Employees are considered probationary employees during the first twelve (12) months of their employment. Employees moving from a part-time to full-time role will be considered a probationary full-time employee as of the date of change in status.

During this probationary period the conduct and performance of the probationary employee will be monitored and evaluated. If the performance or conduct of the probationary employee is considered to be below standards acceptable to the Agency, the probationary period may be extended, or the probationary employee may be demoted or terminated. Such extensions, demotions or terminations are not subject to review or appeal. A probationary employee may be terminated or demoted at any time during the probationary period.

The probationary period is automatically extended by the length of any authorized leave(s) of absence of one work week or more. The probationary period may also be extended up to 6 months for transfers or promotions that occur within the initial 12 month probationary period. Employees are notified by Human Resources upon conclusion of their satisfactory completion of the probationary period.

## 2016 Performance Evaluation, Salary Increase & Job Descriptions

### Performance Evaluation:

Full time and Part time employees will receive a written Performance Evaluation at the following employment milestones:

- Six-month anniversary of the hire date
- Annually thereafter in conjunction with the Agency annual performance review procedures

In the case of a promotion, the employee's Performance Evaluation schedule will be adjusted to the following milestones:

- Six-month anniversary of the promotion date
- Annually thereafter in conjunction with the Agency annual performance review procedures

The following will be considered major factors in every performance evaluation and will always be considered essential functions of every job (in addition to any others deemed essential by the Agency): regular and reliable attendance; the ability to respond positively to direction and criticism of performance; the ability to work productively and harmoniously with others on a consistent basis; and the consistent maintenance of professional and appropriate demeanor.

Performance evaluations will also assess the quality and quantity of the work performed and knowledge of the job. The performance evaluation should help employees become aware of the progress they are making, the areas in which they need to improve, and objectives or goals for personal development and future work performance.

#### Salary Increase:

Salaries will be reviewed at the time of annual Performance Evaluations, and contingent upon positive performance results, may result in a salary increase. However, positive performance evaluations do not guarantee promotions or an increase in salary. Promotions and salary increases are solely within the discretion of the Agency and depend upon many factors in addition to individual performance.

Promotional increases will align with current Project Incentive Pay practices in place. This includes a 5%, 7% or 10% increase based on position and responsibilities taken on as part of the promotion. If these percentages do not bring the employee to the minimum of the new range, the employee will be granted pay at the minimum of the range of the new position.

In order to maintain a competitive, equitable and sustainable compensation package for employees, the Executive Director has the authority to offer salary increases to individual employees within their salary ranges and based on the board approved budget available. This may include counter offering a staff member who has chosen to resign, mid-cycle increases to positions to stay competitive in the market and other adjustments to encourage employee retention within budget available and where warranted under the factors considered during the Performance Evaluation process.

#### Performance Reviews and Salary Increases while on Leave of Absence (LOA):

If a performance review and/or merit increase review comes due during an LOA, the performance review will be given immediately upon return from LOA. Based on the review, any appropriate increase will be given effective the date consistent with all other employees. The timing of the next performance and salary review will not be adjusted.

If an employee's LOA is greater than 12 weeks in length during a performance review period, any approved pay increase will be pro-rated in light of the time off work during the review period.

#### Job Description Review:

The Agency job descriptions will be reviewed annually by the employee and supervisor in conjunction with the performance review process, in order to maintain an accurate description of essential job duties. If an employee believes they have been working outside the essential duties described in their job description, they are encouraged to discuss the discrepancy with their Supervisor, Department Head or the HR Department.

If it appears an employee has been performing job duties that are not consistent with their Agency job description for at least 6 months, the HR Department will conduct an investigation and analysis of the job description, duties performed, and total compensation; then make recommendations for change if appropriate. An outside firm may be used to conduct the analysis as determined by the Human Resources Director. All recommended changes to job descriptions or pay rates must be approved by the Executive Director prior to implementation.

Within five (5) working days of receiving the evaluation, the employee may request a meeting with their supervisor to further discuss their review. If the employee and supervisor are unable to come to an agreement regarding the review, the employee may request a meeting with Human Resources for further review but must do so within ten (10) working days of receiving the review.

Employees are required to timely sign their evaluations and in no event later than thirty (30) calendar days of receipt of same or may be subject to discipline for failure to comply with this requirement.

#### **4000 Technology Usage**

Technology is a valuable and necessary resource for the Agency. The Agency provides the use of computer systems, telephones, and other technologies to employees enabling them to perform agency business and provide services effectively and efficiently. Incidental personal use is secondary and must not interfere with business use or job performance. Agency technology must be used in compliance with applicable statutes, regulations and Agency policies, including those that require a work environment free from discrimination and harassment. Employees are expected to use common sense and good judgment to avoid any communication that is disrespectful, offensive, or illegal. Employees may be subject to disciplinary action up to and including termination for using Agency technology in a manner that is in violation of the Technology Usage Policy.

##### Expectation of Privacy

All electronic data placed on the Agency's information systems are the property of the Agency. Accordingly, employees should have no expectations of privacy in their e-mail messages (or any other data files residing on Agency-owned hardware), phone records, etc., whether sent or received. This includes any files that may be designated as "private" or "personal" under the Agency's software, and also includes files and data for which the user has created a password.

### Web Internet/Intranet Usage

Internet communication and information exchange directly related to the Agency, or the user's duties are acceptable. All searches done over the Internet are public resources and are not confidential and employees shall have no expectation of privacy regarding the use of Agency-provided internet. The Agency will monitor and may disclose the content and results of these searches. Users shall use these systems consistent with the Agency's policies.

### E-mail

The occasional personal use of e-mail on the employee's non-working time (e.g., lunch, breaks, etc.) is permitted as long as it does not interfere with regular Agency business, is not excessive, does not cause an adverse impact (e.g., congestion, viruses, etc.) on the Agency's network, and does not contain obscene or harassing material, or violate other established Agency or department policies or procedures.

The Agency recognizes that under certain circumstances, employees may seek to access the Agency computer, voicemail, or email systems to engage in work-related activities outside their regularly scheduled hours. All non-exempt employees must first obtain authorization from their supervisor before performing any such work. Employees who choose to access Housing Authority-owned voicemail or email accounts during non-working hours do so with the understanding that these activities are neither required nor expected.

### Security Awareness

All employees are to maintain awareness and vigilance against unsafe cyber or other phishing attempts by unauthorized users on the Agency technology system. Employees are required to follow all protocols and requirements in place related to training and proper notification of phishing attempts to the IT department. Failure to complete required training or failure to pass three consecutive phishing tests within a 6 month period may lead to disciplinary action up to and including termination.

### Wireless and Smart Phone Requirements and Usage

The Agency does not provide cellular or smart phones to employees for business purposes. Instead the Agency provides a monthly allowance to reimburse employees in designated positions for the use of a personal cellular or smart phone for Agency business.

Any wireless device that is connected to any Agency system must have the account and Agency data contained on it removed in any instance in which the device will not be used for Agency business, including but not limited to changing device hardware, removal of device hardware from service, and separation of employment from the Agency.

Any devices that contain data that are not verifiably removed from the system are subject to a remote wipe procedure that will erase all data on the device, including personal data, applications and their data, etc.

Any hourly, non-exempt employees who are in a designated position in which they receive a monthly allowance for data access to the Agency system, are discouraged from accessing any information, data or e-mails from their phone during non-working hours and/or while they are on an approved leave. Data access is for working hours only.

This policy is only a summary of the Technology Usage policy in place. For specific guidelines and information on Technology Usage, employees are to review the Technology Usage Policy through their supervisor and/or Human Resources.

#### **4011 Telecommuting**

The Agency may authorize telecommuting from a home office or satellite office for eligible employees in order to create a flexible and supportive work environment. Telecommuting is an alternative work arrangement in which an eligible employee, with written approval from the employee's supervisor and confirmation from the Director of Human Resources or Executive Director, works from home or a satellite office instead of commuting to their assigned work site. Telecommuting is not intended for employees to work from home or a satellite office on a full-time basis unless business needs dictate. The Agency believes that establishing a culture with in-person interactions is important and therefore will not authorize full-time telecommuting.

In general, telecommuting is a privilege which may be granted under appropriate circumstances, and the operational needs of the Agency are paramount in any decision to grant or revoke the privilege. Telecommuting cannot be used in place of sick leave, or other types of leave in which the employee is not medically able to work based on a doctor's certification. Employees requesting a long-term telecommuting assignment must continue to come into their assigned location at least two days a week unless approved by the Executive Director.

Under no circumstances will an employee be permitted to telecommute without written approval by their immediate supervisor and confirmation from the Director of Human Resources or Executive Director. Any telecommuting agreement is subject to the terms and conditions set forth in this policy below.

Long-term telecommuting assignments are assignments that are requested on an annual basis and are in effect longer than 90 days. A new request for a long-term assignment must be completed by January each year. Long term assignments are not an entitlement and may be modified or discontinued by the Agency after providing at least two weeks' notice to employees.

Short-term telecommuting assignments are assignments that are requested from 1 week to 90 days.

Any changes to short- or long-term assignments initiated by the employee must go through the approval process.

Telecommuting is not suitable for all employees and/or positions. Authorization for telecommuting assignments will be made based on the following criteria:

- Regular full-time or part-time employee with 6 months or more time in current position (in unusual circumstances, this timeframe may be waived with documented reasoning provided to Human Resources and approved by the Executive Director).
- The operational needs of the department, as determined by the immediate supervisor and appropriate Sr. Management Team member.
- The prior work history; an employee who has been subject to discipline within the prior 6 months is not eligible for consideration.
- Employees returning from a leave of absence of longer than 60 days may not be eligible for telecommuting at minimum for the first 60 days upon return in order to get reacclimated to the work.
- The specific job duties of the employee and the ability to perform such duties from a remote location.
- The ability of the employee to perform their specific job duties without diminishing the quantity and quality of the work performed.
- Other considerations deemed necessary and appropriate by the employee's immediate supervisor, Department Head and the Director of Human Resources.

All employees approved for telecommuting must comply with the following telecommuting guidelines in place:

- The employee must be able to be immediately contacted by phone or e-mail during predetermined work hours.
- For employees eligible to earn overtime, the employee must accurately report all time worked. The employee is prohibited from working overtime without the express approval of his or her supervisor.
- Home office must be free of distractions, with reliable and secure internet and/or wireless access.
- Employees are required to have other primary care arrangements during work hours to care for individuals in the home who need supervision, including children under 12 and older individuals in the home who need supervision or are incapable of self-care.
- Employees must notify their supervisor promptly when unable to perform work assignments because of equipment failure or other unforeseen circumstances.
- If the Agency has provided Agency owned equipment, employees agree to follow the Agency Policy for the use of such equipment. Employees will report to their

supervisor any loss, damage, or unauthorized access to Agency owned equipment, immediately upon discovery of such loss, damage, or unauthorized access.

- The employee must remain in good standing with respect to performance and attendance as determined by the employee's immediate supervisor.
- Employee must be present in-person at all Agency-wide meetings and will not be approved to telecommute on these days.
- Employee must attend a minimum of one (1) department meeting per quarter in person even if meetings fall on days the employee is scheduled to telecommute.
- Employees must commit to providing responsive customer service and must not delay any work of meeting a customer in person even if on a day regularly schedule to telecommute.

An employee can request a telecommuting assignment from their direct supervisor using the Telecommuting Request Form located on Paycom. Requests will be assessed and approved by the appropriate level of Management, which may include the Sr. Management Team member overseeing the employee's location or program. All telecommuting arrangements must be assessed and approved by the Director of Human Resources or Executive Director. Any telecommuting assignment may be discontinued at any time by the Director of Human Resources or Executive Director. For further information on telecommuting and specific guidelines, please contact Human Resources.

Based on a national or local emergency, the need to telecommute may arise. During such emergency, the Executive Director, Director of Human Resources or Executive Director designee may authorize telecommuting outside of the approved policy. Exceptions may include authorization for employees in a position less than 6 months and authorization for an employee who has received a disciplinary action within the past 6 months. Under these circumstances, telecommuting may be approved on a longer-term basis. Telecommuting would be approved at a maximum of 30-day increments.

## **5006 Sick Leave and Kin Care Benefits**

The Agency offers paid sick leave to any employee who, on or after July 1, 2015, works thirty (30) or more days within a year from the commencement of employment. This includes regular and contract full-time and part-time staff.

Sick leave is generally provided for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member, and for use by a covered employee who is a victim of domestic violence, sexual assault, or stalking. Time off for medical and dental appointments will be treated as sick leave, though employees should try to schedule such appointments outside the workday. Sick leave will not be granted to any employee to permit an extension of the employee's vacation.

Pursuant to California's Paid Sick Leave Law (Labor Code section 245, et seq.) an employee is entitled to use the first three days (or similar hours based on full-time or part-time status) in a 12-month period to care for a family member. For purposes of this leave, family member is defined consistent with Labor Code section 245.5(c), which generally includes a child regardless of age or dependency status (including a foster child, stepchild, legal ward, and those similarly situated), a parent (including a spouse's parent, guardian, and those similarly situated), a spouse, a registered domestic partner, a grandparent, a grandchild and a sibling.

Pursuant to Labor Code section 233, an employee is also entitled to use one half of his or her accrued and available annual sick leave entitlement to attend to the illness of a child, parent, spouse, or registered domestic partner. For purposes of this leave, "parent" and "child" include biological, foster, adopted, step or legal guardian relationships. A "child" also includes a child of a registered domestic partner or a child to whom the employee stands in loco parentis. This is known as "Kin Care Leave".

To the extent an employee's use of sick leave qualifies as both care for a family member under California's Paid Sick Leave law and Kin Care leave, the leaves will be run concurrently. Similarly, to the extent the care for a family member under California's Paid Sick Leave law or Kin Care Leave qualifies as leave under the Family Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA), the leaves will be run concurrently.

Supervisors shall have the discretion to place employees on sick leave when, in the judgment of the supervisor, the presence of the employee at work would endanger the health and welfare of other employees or where the illness or injury of the employee interferes with the performance of such employee's duties.

The Sick Leave benefit for all regular and contract full-time staff will accrue and be paid within the following guidelines:

- Sick Leave accrual begins on the date of hire at the rate of 12, nine (9) hour days per year, accrued in a pro-rated amount every pay period.
- Unused Sick Leave will carry over from calendar year to calendar year, with no maximum.
- Employees are eligible at hire to use their accrued Sick Leave. Sick Leave will not be paid in advance of accrual.
- Sick Leave will stop accruing after 12 calendar weeks of continuous absence. An employee on an approved pregnancy disability leave will stop accruing after 16 weeks where applicable and an employee on an approved military caregiver leave, stop accruing after 26 weeks where applicable. (See Policy 5008, 5008A).

The Sick Leave benefit for all regular and contract part-time employees will be granted in a lump sum method on an annual basis and paid within the following guidelines:

- Part-time employees hired before July 1, 2015 will receive a lump sum of sick leave effective the first pay period in July 2015 based on employment status as shown below. Every year thereafter on January 1, employees in this category shall receive an annual grant of 40 hours consistent with the requirements of Senate Bill 616. based on current status.

<u>Status</u>	<u>Hours/Week</u>	<u>Hours Granted per Year</u>
<u>Part-time</u>	• <u>20-29</u>	• <u>30</u>
<u>Part-time</u>	• <u>1-19</u>	• <u>24</u>

- Employees hired after July 1, 2015 will be granted sick leave the first pay date following their hire date based on employment status as shown on the table. Every year thereafter on January 1, the employee will receive an annual grant based on current status.
- Employees are eligible at hire to use available sick leave.
- The annual grant does not roll over to the next year and is not paid out upon termination of employment.

All sick leave whether accrued or lump sum will follow the following guidelines:

- Sick Leave may be taken in no less than quarter hour increments, consistent with the smallest increment the Agency uses for other types of leaves and absences.
- At no time is paid Sick Leave included in overtime calculations.
- Management may request a Physician's written verification of any sick leave taken beyond the first three (3) days taken in a 12-month period. A physician's statement releasing the employee to return to work may be required after 3 days' consecutive absence. A "fitness for duty" assessment may also be required upon return from longer-term leaves of absence, at the expense of the Agency.
- The use of Vacation Time may not be substituted for hours missed under this Sick leave policy should the employee no longer have sick leave remaining. (unless approved through an approved Leave of Absence)
- See Policy 3006 (Punctuality and Attendance) for the rules regarding (1) how and when the notify a supervisor of an absence from work, (2) what absences will be counted against the employee's attendance record, and (3) the consequences of excessive absences.

Sick Leave Benefit at Termination: Employees who have completed 10 years of continuous full-time employment with the Agency, and upon separation due to retirement, death, voluntary termination of employment or disability causing permanent incapacity to work, an employee or the estate of the deceased employee shall be paid 50% of their total accrued or lump sum balance to a maximum of 480 hours. Employee must give a notice of at least two weeks to be eligible for this benefit. Any notice less than two weeks in good faith will require approval from the Executive Director. Such reimbursement shall be at the employee's base rate of pay at the time of separation.

## 5012 Bereavement Leave

Paid bereavement leave shall not be considered accrued leave which a full-time or part-time employee may use at their discretion, but is granted by reason of the death of a member of the employee's immediate family (current spouse, child, parent, legal guardian, brother, sister, grandparent, grandchild, mother-, father-, sister-, brother-, son- or daughter-in-law, registered domestic partner or stepparent, stepchild or step sibling). An employee may take a maximum of five (5) working days of bereavement leave each time a death occurs within an employee's immediate family, three (3) days of which are paid and the remaining two (2) are either unpaid or the employee may use accrued sick or vacation leave to cover the two (2) days. In order to receive paid bereavement leave, the employee must have completed at least thirty (30) days of employment with the Agency and notify their supervisor and/or Human Resources of the request as soon as possible. Bereavement leave must be completed within three (3) months of the family member member's death and may be intermittent leave and is not required to be used in consecutive amounts. Employees are required to provide documentation of the family member's death within thirty (30) days of the first day of the leave. 'Documentation' includes, but is not limited to, a death certificate, a published obituary, or written verification of death, burial, or memorial services from a mortuary, funeral home, burial society, crematorium, religious institution, or governmental agency. The Agency shall maintain the confidentiality of any employee requesting leave under this policy. Any documentation provided to the Agency regarding this leave shall be maintained as confidential and shall not be disclosed except to internal personnel or counsel, as necessary, or as required by law.

~~In the event of the death of a regular full time or part time employees' current spouse, child, parent, legal guardian, brother, sister, grandparent, grandchild, mother-, father-, sister-, brother-, son- or daughter-in-law, registered domestic partner or stepparent, stepchild or step sibling, employees may take up to three (3) days off with pay. Their supervisor may approve additional unpaid time off.~~

An employee may use up to one day of sick leave to attend the service of an extended family member to include aunt, uncle, niece or nephew. The employee may request the use of vacation or unpaid time for any days needed to travel to or from the service.

### Reproductive Loss Leave

Employees who have worked for the Agency for at least thirty (30) days are eligible to request up to five (5) days of unpaid leave in the event they experience a reproductive loss. Such loss affecting the employee, or the employee's current spouse or domestic partner, that may qualify for this leave generally includes: miscarriage, failed surrogacy, stillbirth, unsuccessful assisted reproduction (such as artificial insemination or embryo transfer) or failed adoption. This leave must normally be taken within three (3) months of the reproductive loss. The leave does not

have to be taken on consecutive days off. Employees may request to use their accrued sick or vacation time during the approved leave.

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

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

**Employee Compensation Philosophy and Administrative Guidelines**

## **RECOMMENDATION(S)**

Adopt Resolution No. 191 approving revisions to the Employee Compensation Philosophy and Administrative Guidelines.

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

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #1: To ensure that our agency's culture empowers and values our team through effective communication, learning opportunities, work life balance, professional development, and a shared passion for the mission.**

## **FINANCIAL IMPACT**

Approval of the proposed resolution will not have a significant financial impact to the Housing Authority of the County of San Bernardino (HACSB). Each pay change would be consistent with budget available within the board approved budget.

## **BACKGROUND INFORMATION**

HACSB's Employee Compensation Philosophy and Administrative Guidelines outlines the policies of the agency's employee compensation program. In August 2010, HACSB established the Employee Compensation Philosophy and Administrative Guidelines as a result of a comprehensive compensation study and performance management review by a contracted third-party consultant. The employee compensation program is designed to attract, retain, motivate and reward a qualified and diverse workforce, as well as to fairly compensate each employee with a salary that is determined by individual performance; the competitive job market; job responsibilities; and the required level of expertise but also account for available funding.

The Compensation Philosophy is being updated to include changes to salary offered when an employee is promoted and adding in an option for discretionary pay changes. Attached to this item are the redline policy changes to the Employee Compensation Philosophy and Administrative Guidelines. The substantive revisions include:

- Promotions - When an internal employee is promoted to a new position, HACSB's practice has been to provide the employee with a 5% increase or move their pay to the minimum of the range of the new position, whichever is greater for the employee. Throughout the years, the salary offered for staff promoted into a lead or supervisor position has been determined to be potentially inadequate as at times they are only receiving 5% yet taking on greater responsibilities including at times supervision of employees. The update also aligns our promotional pay practices with our project incentive pay practices. The

recommendation is that if someone is promoted into a lead position, they would get a 7% increase or minimum of the range (whichever is higher) and someone promoting into a supervisor or manager position would receive 10% or minimum of the range. This change allows for HACSB to continue to motivate and retain current staff.

- Discretionary Pay Changes – This change allows the Executive Director to offer salary adjustments to staff outside of standard merit, market rate adjustment or promotion/position changes. At times employees notify the agency of resignation and we would like the opportunity to be able to counteroffer within reason and within budget to retain a well performing employee. In addition, with the current employment market, recruiting staff and retaining staff can be difficult. This discretionary pay change would also apply to providing an increase to staff within a position whose pay has no longer become competitive in the market. Adjustments to those staff members pay may be needed in order to retain them. Any discretionary pay change would be within the current board approved pay ranges with the authorization of the Executive Director.

If approved, the proposed Compensation Philosophy changes would be effective February 14, 2024. HACSB will ensure approval from Teamsters Local 1932 has been received for any represented employees prior to implementation.

#### **PROCUREMENT**

Not applicable.

#### **REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on January 31, 2024.

**HOUSING AUTHORITY RESOLUTION NO. 2024-191**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE  
COUNTY OF SAN BERNARDINO APPROVING REVISIONS TO THE EMPLOYEE  
COMPENSATION PHILOSOPHY AND ADMINISTRATIVE GUIDELINES**

**RECITALS**

**WHEREAS**, the Housing Authority of the County of San Bernardino was created pursuant to Section 34200 of the California Health and Safety Code to provide housing for low and moderate income families; and

**WHEREAS**, the Housing Authority of the County of San Bernardino Employee Compensation Philosophy and Administrative Guidelines was established in August 2010; and

**WHEREAS**, the Housing Authority of the County of San Bernardino desires to revise and clarify the current Employee Compensation Philosophy and Administrative Guidelines.

**OPERATIVE PROVISIONS**

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

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

Section 2. The Board of Commissioners hereby approves the proposed Employee Compensation Philosophy and Administrative Guidelines revisions attached 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

# Housing Authority of the County of San Bernardino **EMPLOYEE COMPENSATION PHILOSOPHY AND ADMINISTRATIVE GUIDELINES**

The Housing Authority of the County of San Bernardino's employee compensation program is designed to attract, retain, motivate, and reward a qualified and diverse work force in an equitable manner. To accomplish this, the Authority has established the following plan, provisions, and standards for employee compensation.

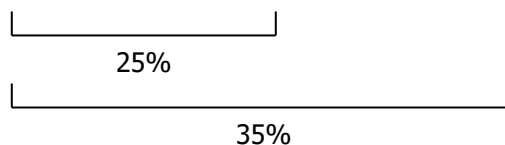
The employee compensation program is designed to fairly compensate each employee at a salary that is determined by individual performance, funding, the competitive job market, job responsibilities, and the required level of expertise. The compensation program includes both base salary and a competitive benefit program.

## **SALARY RANGES:**

Salary ranges will exist for all classifications. There shall be no specific or predetermined steps within the range, thus allowing for the flexibility of adjustment to recognize varying levels of performance. The salary ranges shall be established based on competitive market base salary median. Range placements are made based on the following calculation: using the market base salary median findings, classifications are placed into the salary range whose median is closest to the market median number using base salary.

Each salary range will be 35% wide with the control point set 25% above the minimum of the range. The control point represents the value of each position assigned to the salary range at the fully competent level.

Title	Market Median	Range Minimum	Control Point	Range Maximum
Example Position	\$8,474	\$7,212	\$9,015	\$9,736



In order to maintain a competitive position within the labor market, the Authority shall consider a thorough review of the salary ranges every two to three years or sooner as needed. Adjustments to the ranges shall be based upon marketplace data and budget

considerations. For positions that return insufficient market data, an internal equity will be established based on skills required, education needed and duties performed.

Upon completion of a full market study every two to three years, current employees will receive a salary increase consistent with their range movement in the market. For example, if a position moves up one range, the employee within that position would receive a 2.5% increase to their base pay. If a position moves more than 3 ranges, any further increase would be subject to budget available.

Adjustments to individual salaries based on range movement are not automatic. Salary adjustments consistent with range movement in the market as stated above will depend on budget available.

### **SALARY INCREASE BUDGET:**

The salary increase budget will be determined annually within the context of overall Authority performance and budget dollars available and shall be fiscally prudent taking into account the Authority's financial condition, reserves, revenue growth, and competing budget priorities. The range of potential increases for the upcoming rating period will be announced to all employees by August each year.

### **EMPLOYEE MERIT INCREASES:**

A designated supervisor shall be responsible for the annual review of each employee's performance which in turn provides a recommendation for employee merit increases. Merit increase recommendations shall be within the Authority's annual salary budget guidelines and based on the individual employee's performance.

### **Guidelines for recommending merit increases:**

- **Range Minimum to the Control Point** is the portion of the range where a new or less experienced employee would be placed. Progress through the range would occur as an employee moves towards the fully competent level (control point). There may be circumstances, such as hiring a highly experienced individual, which would warrant salary placement near or at the control point.
- **The Control Point** is the position of the salary range where an employee may normally expect to progress. Most employees will achieve and maintain a salary at this point of the range (fully competent). The achievement of full competency is determined by the ability to meet standards in the Authority's core competencies and achievement of individually determined goals for the review period.

- **The Control Point to the Range Maximum** is utilized for those employees whose performance over time consistently exceeds expectations as defined by the Authority's core competencies and individual goal achievement.

### **Annual Merit Increase Guidelines:**

Adjustments to an employee's salary will be made based on the results of the performance evaluation. Salary adjustments shall be based on achievements in key areas weighted as follows:

#### Non Manager/Director level

- Core Competencies 80%
- Goals and Objectives 20%

#### Manager/Director level and above

- Core Competencies 60%
- Goals and Objectives 40%

During the annual performance review process, both performance ratings and the relative position of the individual within the salary range will be considered in recommending the salary increase. For example, using the matrix below, if an individual's performance "Exceeds Standards – 4.1 to 4.5", and current salary is above the control point but not yet at the maximum of the salary range, an increase of 2.5% could be expected.

The following merit guidelines are an example of a 3% maximum increase or lump sum:

Overall Rating	<Control Point	>Control Point and <Max	> Max (lump sum)
Exemplary – 4.6 to 5	3%	3 %	3%
Exceeds Standards – 4.1 to 4.5	3%	2.5%	2.5%
Exceeds Standards – 3.6 to 4.0	3%	2%	1.5%
Fully Effective – 3.0 to 3.5	2%	0%	0%
Improvement Needed 2.0 to 2.9	0%	0%	0%
Does Not Meet Min Requirements – 1 to 1.99	0%	0%	0%

#### Merit Increase Guidelines:

- *If base pay is below the control point:* Employees with at least "Fully Effective" performance will have the opportunity to receive a pay increase up

to the control point of their range, based on their performance. No increase will be given to those rated below “fully effective”.

- *If base pay is between the control point and maximum:* Employees with performance that either “Exceeds Standards” or is “Exemplary” will have the opportunity to receive an increase up to the maximum of their range. If an “Exemplary” increase exceeds the maximum, the portion above the maximum will be paid in a lump sum payment.
- *If base pay is above the maximum:* Employees who are frozen at or above the maximum of their range and perform at an “Exemplary” or “Exceeds Standards” level on their performance review, will receive a lump sum payment equal to the applicable percentage on the matrix above.

**Timing of Increases.** Merit increases will be considered on an annual basis, in conjunction with the Agency performance review cycle each year. Effective 2013, the review cycle will be from July 1 – June 30 each year with increases, if applicable, effective the **start of the** first pay period in October.

**Start Salary.** Human Resources, in collaboration with the hiring manager, will determine the start rate of pay within the established range for a newly hired employee. The Range Minimum to the Control Point is the portion of the range where a new or less experienced employee would be placed. Progress through the range would occur as an employee moves towards the fully competent level. There may be circumstances, such as hiring a highly experienced individual, which would warrant salary placement at or near the control point.

Employees assigned to a position within the Special Programs area for more than two (2) consecutive weeks will be eligible for a 3% incentive for their work. The incentive is meant to cover the complexity of working with multiple outside partners and funding programs which requires different rules, calculations and knowledge. Employees will be notified in writing if they qualify for this incentive. Except as required by law, any employee who is receiving this incentive and is placed on a leave of absence of more than three (3) consecutive days, will not be eligible for the incentive during the leave of absence.

**New Hires.**

- Individuals hired within the first 9 months of the rating period (July - March) will be eligible for a pro-rated merit increase the following Agency-wide annual performance review cycle, from their hire date forward.
- Individuals hired within the last three months of the rating period (April – June) will not receive an annual performance review nor be eligible for a merit increase. Their first performance review will occur on their six-month anniversary. They will be eligible for a merit increase the following Agency-wide annual performance review cycle.

## **Promotions**

- Promotional increases will align with current Project Incentive Pay practices in place. This includes a 5%, 7% or 10% increase based on position and responsibilities taken on as part of the promotion. If these percentages do not bring the employee to the minimum of the new range, the employee will be granted pay at the minimum of the range of the new position.
- If an individual is promoted within the review period, performance in both positions will be evaluated for merit increase purposes.
- If an individual is promoted to a new position, and placing the employee in the new range would result in a salary decrease, their pay will not be decreased. Their pay will be frozen at their old salary, and no increase will be awarded at the time of promotion.
- If an employee is receiving Project Incentive Pay for tasks related to a new promotion, their new pay will remain the same as that of Project Incentive Pay and/or to the minimum of the new range, whichever is greater for the employee.

## **Transfers**

- If an individual voluntarily applies for and is awarded a position within a lower salary range, and their current salary is higher than the salary range, the employee will be granted the maximum pay of the range of the new position.

## **Discretionary Pay Changes**

- In order to maintain a competitive, equitable and sustainable compensation package for employees, the Executive Director has the authority to offer salary increases to individual employees within their salary ranges and based on the board approved budget available. This may include counter offering a staff member who has chosen to resign, mid-cycle increases to positions to stay competitive in the market and other adjustments to encourage employee retention within budget available and where warranted under the factors considered during the performance evaluation process.

## **Market Rate Adjustments**

The Agency is committed to conducting a full market study every two to three years. In any off year where the agency is not conducting this study, the Agency will commit to reviewing a market rate adjustment for employees. This market rate adjustment would be effective the start of the first pay period in October of each year and would be consistent with the Consumer Price Index for Riverside-San Bernardino-Ontario area as follows:

- The CPI for this area would be pulled in July of each year looking at the 12 month CPI number.
- The market rate adjustment would be calculated at the 12-month CPI number for July of that year, up to a maximum of 4%.

Any market rate adjustment would be contingent upon budget available and would be effective the start of the first pay period in October of each nonmarket study year. If a market rate adjustment is granted, this adjustment would not affect the current board approved ranges. Employees who are at the maximum of their range would not be eligible for a market rate adjustment above the board approved range maximum.

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

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

Pre-development contract with National Community Renaissance of California for Phase IV of the Arrowhead Grove Development Project.

## **RECOMMENDATION(S)**

1. Adopt Resolution No. 189 awarding a pre-development contract, effective February 17, 2024, to National Community Renaissance of California, for predevelopment services for Phase IV of the development project at Arrowhead Grove, in the city of San Bernardino.
2. Authorize and direct the Executive Director to execute and deliver the contract to National Community Renaissance of California, and any other related documents, upon consultation with Legal Counsel.

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

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.**

**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

**Aspirational Statement #5: To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing our resources by mobilizing the talents of our community partners.**

## **FINANCIAL IMPACT**

Via the pre-development agreement for which the material terms are attached as an addendum to this Board Memo, the Housing Authority of the County of San Bernardino (HACSB) agrees to continue to cover predevelopment related expenses on behalf of this project. Such fees and expenses are not expected to exceed 30% of pre-development fees incurred in partnership with National Core, which is accounted for through various sources, including developer fees from previous phases and future developer fees to be realized from the development of Phase IV of this project. Furthermore, National Core will reimburse HACSB for eligible pre-development costs incurred prior to the execution of the pre-development agreement.

## **BACKGROUND INFORMATION**

As the board is aware, HACSB has been redeveloping its Public Housing site formerly known as Waterman Gardens for several years. As of the present date, three phases of development at the renamed Arrowhead Grove site have been completed. HACSB has been actively fundraising for the fourth phase of development which is to include both a 92 unit and also for the subsequent phase which is to include a 120-unit site.

The previous phases of the development included the completion of Phase I: Valencia Vista in June 2016, the completion of Phase II: Olive Meadow in November 2017, and the completion of

Phase III: Crestview Terrace in September 2021. Multiple funding sources were utilized for these development projects. In total, 322 new affordable housing units were brought online across the three phases for a total development cost of \$134.5 Million. Phase IV of the development project is planned for a 92-unit affordable housing development on Parcel D of the site, as well as plans for a 120-unit development project on Parcel F of the site. This particular pre-development is for the 92- unit phase on Parcel D. HACSB expects to finance this development with a combination of tax-exempt bonds, low-income housing tax credits, as well as various gap funding sources. Several funding sources for the Phase IV 92-unit development have either been applied for or are actively being negotiated. As of now, the details for the 120-unit development are still being developed. Initial site plans and funding applications will be developed under the scope of the Phase IV pre-development agreement.

### **PROCUREMENT**

On October 16, 2023, HACSB issued a Request for Proposals (RFP) PC1346 for an Arrowhead Grove development partner which resulted in the receipt of five proposals. Outreach efforts included email invitations to contractors and vendor notifications through the agency's electronic bidding software, PlanetBids.com. The proposals were evaluated per the requirements of the RFP in which National Community Renaissance of California (National CORE) had the most favorable terms included in their proposal and was considered responsive and determined qualified to provide this service to HACSB.

<b>Proposals were received by the deadline from the following organizations:</b>		
<b><u>Contractors Name</u></b>	<b><u>Location</u></b>	<b><u>Total Evaluation Score:</u></b>
Community Resource Development Corporation	Los Angeles, CA	243
Decro Corporation	Los Angeles, CA	278
Linc Housing	Long Beach, CA	685
McCormack, Baron, Salazar	St. Louis, MI	702
National CORE	Rancho Cucamonga, CA	733

Based on the responses for these services, which were solicited to an adequate number of sources and in accordance with Title 2 Code of Federal Regulations Part 200, staff recommends awarding a contract for development services to National CORE for Arrowhead Grove, Phase IV. In lieu of a full contract for services which will be contingent on ongoing negotiations, staff and legal counsel recommend the execution of a predevelopment services agreement to start work with the awarded developer, which will reflect the terms outlined in the attached Letter of Intent and Pre-Development Process Term Sheet.

### **REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on February 7, 2024

## HOUSING AUTHORITY RESOLUTION NO. 2024-189

### A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AUTHORIZING CERTAIN ACTS AND APPROVING CERTAIN AGREEMENTS RELATING TO ARROWHEAD GROVE (FORMERLY WATERMAN GARDENS)

On Tuesday, February 13, 2024, on motion of Board of Commissioners \_\_\_\_\_, duly seconded by Board of Commissioners \_\_\_\_\_ and carried, the following resolution is adopted by the Board of Commissioners of the Housing Authority of the County of San Bernardino (the "Authority").

**WHEREAS**, the Authority is a duly formed housing authority of the State of California, and is vested with the responsibilities set forth in Division 24, Part 2, Article 4 (Sections 34310-34334) of the California Health and Safety Code, which includes providing low and moderate income housing within its jurisdiction; and

**WHEREAS**, the Authority is in the process of revitalizing the former Waterman Gardens public housing development, now known as Arrowhead Grove (the "Site") by demolishing the 76-year old buildings located on the Site and developing 411 new residential units and commercial space with the assistance of the U.S. Department of Housing and Urban Development's ("HUD") Rental Assistance Demonstration ("RAD") Program; and

**WHEREAS**, 322 new affordable housing units have already been built and occupied as part of the revitalization, and 214 additional mixed-income housing units are being planned for development through low-income housing tax credit partnerships (the "Partnerships") on portions of the Site ground leased to the Partnerships by the Authority (the "Leased Site"); and

**WHEREAS**, the remainder of the Waterman Gardens Site consisting of approximately 20 acres of vacant land inclusive of the Head Start Preschool, warehouse compound and two original public housing buildings) (the "Remainder Site"), remains in the ownership of the Authority and the Authority is continuing the process of planning for the revitalization of the Remainder Site; and

**WHEREAS**, the Leased Site and the Remainder Site are currently subject to a Declaration providing for Reciprocal Easements governing the relationship between the Remainder Site and the Leased Site, and a Development Agreement governing the development of the Site (the "Existing Development Documents"); and

**WHEREAS**, to further the development plans for the remaining vacant portions of the Site, the Housing Authority released an RFP for qualified developers on October 16, 2023; and

**WHEREAS**, to further accomplish the proposed revitalization of the Remainder Site, the Authority desires to enter into a contract for services with a fee based developer for the purposes of executing its' development strategy for the site; and

**WHEREAS**, to further accomplish the proposed revitalization, the Authority desires to begin the chosen developer's work based on a predevelopment contract for services reflecting the terms outlined in the Letter of Intent and Pre-Development Process Term Sheet provided with this Resolution.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Commissioners of the Housing Authority of the County of San Bernardino, as follows:

**Section 1.** The above recitals are true and correct, and the Board of Commissioners of the Housing Authority of the County of San Bernardino so finds and determines.

**Section 2.** The Authority is authorized to enter into a contract for services with the winning developer based on the Authority's request for proposals process.

**Section 3.** The Authorized Officer is hereby authorized and directed, for and in the name of the Authority, to negotiate a contract for development services, abiding by terms agreed to and negotiated by the Housing Authority in collaboration with its' financial and legal consulting team and reflecting the terms outlined in the Letter of Intent and Pre-Development Process Term Sheet provided with this Resolution, for final approval at a future meeting.

**Section 4.** A Letter of Intent and Pre-Development Process Term Sheet has been drafted and added as an addendum to this board action. Staff recommends that the predevelopment contract reflecting the terms of such Letter of Intent and Pre-Development Process Term Sheet be executed and take affect in lieu of a full contract for services being negotiated with the developer. This can be rather lengthy, and it is recommended that preliminary work begin based on the predevelopment contract until the final contract for services is fully negotiated and executed.

**Section 5.** The Authorized Officer is hereby authorized and directed, for and in the name of the Authority and the Company, to execute and deliver the predevelopment contract in such form approved or required by Legal Counsel.

**Section 6.** The Authorized Officer shall deliver to the Secretary of the Board of Commissioners an original executed predevelopment contract within thirty (30) days of the full execution thereof.

**Section 7.** The Authorized Officer shall be authorized to execute any other form or document required by any lender, investor, regulator or other third party involved in the transaction if the Authorized Officer and Legal Counsel determine that the substance of such document does not materially conflict with the substance and intent of this Resolution.

**Section 8.** All actions heretofore taken by the officers, employees, and agents of the Authority with respect to the Remainder Site are approved, confirmed, and ratified.

**Section 9.** 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                    )  
  )       ss.  
COUNTY OF SAN BERNARDINO        )

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, Month Date, 2024.

Secretary

---

Housing Authority of the County of San Bernardino

Pre-Development Process Term Sheet

12/19/2023

I	Codify terms to be documented in developer agreement	
II	Terms	
	Pre - Dev	50/50 split, including all costs incurred by the HA and staff time
	Developer Fee	50/50 split where 90% of the fee comes in at conversion, earlier pay-in will be negotiated
	Land Acquisition	PHA will retain ownership of the land and ground lease to project
	Plans and Spec	HASCB has approval of all plans and specs
	Progress Schedule	HASCB has approval of all schedules and must be notified of all schedule changes
	Construction	CORE can use its GC, and will defer payment to save on interest costs
	Term of Agreement	until such time as the developer agreement is finalized
	Funding Availability	CORE will provide taxable debt under its social debt indenture for short term use during construction to save on interest.
	Work in Progress	Core will work with CSG and HASCB on funding applications effective immediately.
	Organizational Structure	CORE will utilized its CHDO in the organizational structure, with HASCB and CORE.
	Guarantee	CORE will provide all guarantees as requested by lenders and investors
	Social Services	CORE will provide social services
	Property Management	CORE will provide property management.
	Engagement	CORE will prepare documents and meetings and HASB will participate.



February 13, 2024

Alexa Washburn  
Senior Vice President – Planning & Acquisitions  
National Community Renaissance of California  
9692 Haven Avenue  
Suite 100  
Rancho Cucamonga, CA 91730

Re: Development Proposal for Arrowhead Grove, Phase IV  
Letter of Intent

Dear Ms. Washburn,

The Housing Authority of the County of San Bernardino (HACSB) appreciates the interest by National Community Renaissance of California (NCRC) to develop Phase IV of the Arrowhead Grove development (Project) on Parcel D of the property generally bounded by Olive Street on the south, La Junta on the east, Baseline Street on the north and N. Waterman Avenue on the west (Property) in partnership with HACSB. This letter of intent is provided only for the purpose of outlining the parties' interest in structuring a mutually acceptable pre-development agreement for the development of the Property (Agreement).

Owner Entity:	The Housing Authority of the County of San Bernardino, a California public agency, corporate and politic
Developer Entity:	National Community Renaissance of California, a California nonprofit public benefit corporation (NCRC)
Project:	92-unit development on Parcel D as well as planning efforts for the 120-unit development located on Parcel F of the Property
Pre - Development Costs	70/30 (NCRC/HACSB) split so that NCRC pays 70% and HACSB 30%, including all costs incurred after execution of the Agreement.
Pre - Development Costs	HACSB will be reimbursed from Project funding sources for all eligible pre-development costs incurred to date.

715 E. Brier Dr., San Bernardino, CA 92408  
909.890.0644 | TTY: 711 | [www.hacsb.com](http://www.hacsb.com)

Developer Fee	50/50 (NCRC/HACSB) split where 90% of the fee comes in at conversion, earlier pay-in will be negotiated. Cash developer fee will be paid at Permanent Loan Conversion.
Land Acquisition	HACSB will retain ownership of the land and ground lease to the Property at the location of the project at Fair Market Value.
Plans and Specifications	HACSB has approval authority of all plans and specifications.
Progress Schedule	HACSB has approval authority of all schedules and must be notified of all schedule changes.
Construction	NCRC can use its general contractor and will defer payment of General Contractor Overhead & Profit until construction completion, Temporary Certificate of Occupancy, or Certificate of Occupancy to save on interest costs if needed. General Contractor's general conditions expenses will be paid during construction. Subcontractors will be paid per agreed upon draw schedule with construction lender.
Construction Schedule	Construction shall commence within 180 days (or within 194 days if provided by CTCAC) after Tax Credit Allocation date. Construction of the Project shall be completed, and City approval of final inspection and Certificate of Occupancy/ Completion obtained within twenty (20) months after commencement of construction.
Term of this LOI	Effective until the earlier of February 15, 2024, or such time as the Agreement is executed.
Funding Availability	NCRC may utilize its social bond to pay a portion of project costs, if needed, subject to their ability to structure with other lenders/ financing sources.
Work in Progress	NCRC will take the lead on funding applications, whether or not any such applications were initiated by HACSB.
Organizational Structure	NCRC will utilize its Community Housing Development Organization (CHDO) to apply for funding that requires an approved CHDO within the tax credit limited partnership that will develop and own the Project.
Guarantee	NCRC will provide all guarantees as requested by lenders and investors, including operating deficit guarantee, as long as NCRC remains partner and acts as property manager.

Supportive Services	NCRC will provide supportive services with input from HACSB.
Property Management	NCRC will provide property management with asset management access to HACSB.
Right of First Refusal	HACSB to retain the right of first refusal and purchase option rights for the Property at year 15 of the initial affordability compliance period.
Stakeholder Engagement	NCRC will prepare relevant documents for ongoing project coordination meetings with consultants, contractors, and community stake holders. HACSB will participate as the client, in support of the CORE's project management work.

It is expressly understood and agreed that this letter of intent shall not in any way constitute a binding agreement between HACSB and CORE, but is intended only to outline some of the basic terms and conditions to be used in the formulation of the Agreement, to be negotiated in good faith. Neither HACSB nor CORE shall be bound unless and until a definitive Agreement is mutually executed and delivered, which Agreement shall supersede this letter in its entirety. No party shall be under any legal obligation to the other party by reason of this letter, except as specifically set forth herein.

Sincerely,

Rishad Mitha,  
Deputy Executive Director  
Housing Authority of the County of San Bernardino

Reviewed and Accepted by National Community Renaissance of California, a California  
nonprofit public benefit corporation

By: \_\_\_\_\_  
Michael Ruane, President

Signed:  \_\_\_\_\_

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

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

**Commitment of Resources for the Development of Arrowhead Grove Phase IV**

## **RECOMMENDATION(S)**

1. Adopt Resolution No. 193:
  - a. Commit to working with National Community Renaissance, if approved as developer partner, on an application for funding from the Affordable Housing for Sustainable Communities Grant to finance, in part, the construction of 92 multi-family housing units for Arrowhead Grove Phase IV.
  - b. Committing to ground lease the project site located at Baseline and Waterman Gardens in the City of San Bernardino to developer subject to receipt of a California Tax Credit Allocation Committee four percent (4%) Low-Income Housing Tax Credit allocation.
  - c. Committing Faircloth Rental Assistance Demonstration project-based voucher subsidy to the proposed 92-unit development.
  - d. Authorizing the Executive Director, upon consultation with Legal Counsel, to execute certain agreements and documents relating to the project.
2. Direct the Executive Director to transmit all documents to the Secretary within 30 days of execution.  
(Presenter: Maria Razo, Executive Director, 332-6305)

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.**

**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

**Aspirational Statement #5: To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing out resources by mobilizing the talents of our community partners.**

## **FINANCIAL IMPACT**

HACSB will work with National Community Renaissance (CORE), if approved as developer partner, for the purposes of preparing and submitting a funding application for the California State Affordable Housing Sustainable Communities (AHSC) grant program. Any costs related to the preparation of the application or the recommendations of this item will be allocated to developer fees earned by the Housing Authority of the County of San Bernardino (HACSB) from prior phases of the Arrowhead Grove redevelopment.

## **BACKGROUND INFORMATION**

Approval of this item will assist HACSB in its endeavor to secure funding from California's AHSC grant program. Committing to ground lease the project site and commitment of funding for the

project is intended to satisfy threshold requirements of the AHSC application. In partnership with CORE, which was the developer partner for Phases I through III, HACSB has successfully been redeveloping the former 252-unit Waterman Gardens public housing site, which HACSB had owned and managed since 1942 as a Public Housing community. In August 2016, the first site-adjacent development phase of Arrowhead Grove (Valencia Vista) was completed. It is located at the corner of Valencia Avenue and 9<sup>th</sup> Street and consists of 75 affordable apartment homes. The second phase, Olive Meadow, opened in September 2017, as the first on-site development phase at the southeast corner of the former Waterman Gardens public housing site. In total, phases II and III include development of 184 multi-family apartment homes with HACSB and CORE.

Phases II and III at Arrowhead Grove are part of the broader strategy to stimulate economic and development activity in the surrounding neighborhood, through the development of a mixed income community. In total, phases II and III represent the development of 246 multi-family apartment homes. Common area amenities include a swimming pool, tot lot, barbeque picnic area, dual functioning park/detention basin for on-site water retention and a 2,500 square foot community center to house a leasing office and community space for social services and resident activities.

For the purposes of constructing the next phase of this development project, HACSB will be working with CORE, if approved as the developer partner, to apply for funding from the AHSC grant program and 4% tax credits. In order to be competitive for AHSC funding, maximize public benefit, as well as achieve efficiencies from economies of scale, HACSB will be moving forward to secure as many funding sources as possible. The fourth phase of development for this project will integrate AHSC, 4% tax credit and Faircloth to Rental Assistance Demonstration (RAD) rent subsidies as a part of the overall project financing strategy.

The Phase IV project design includes 17, two and three-story buildings consisting of 22 one-bedroom, 46 two-bedroom and 24 three-bedroom units for a total of 92 units. The affordability will range from 30% to 80% of Area Median Income (AMI). Additional financing is anticipated to include a tax exempt construction loan, County/City HOME funds, HACSB ground lease/capital loan and deferred developer fee.

The proposed total project sources are as follows:

<b>Description of Permanent Sources</b>	<b>Amount</b>
Tax Credit Investor Equity Contribution	\$22,019,000
Permanent Loan	11,889,696
City HOME Loan	3,000,000
County HOME Loan	3,00,000
GP Equity	3,241,481
Neighborhood Stabilization Program	1,900,000
Deferred Developer Fee/General Partner Equity	2,149,729

Commitment of Resources for the development of Arrowhead Grove Phase IV  
February 13, 2024

AHSC Grant	11,862,348
Housing Development Fund	2,000,000
Total Permanent Sources	<b>\$64,942,954</b>

HACSB has spent approximately \$600,000 in capital funding on predevelopment costs associated with this project to date.

If the project is awarded AHSC funds and 4% tax credits, the formal agreements reflecting the commitments approved at this time will be scheduled for consideration by the Board of Commissioners at a later date.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on February 7, 2024.

## HOUSING AUTHORITY RESOLUTION NO. 2024-193

### A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AUTHORIZING CERTAIN ACTS AND APPROVING CERTAIN AGREEMENTS RELATING TO ARROWHEAD GROVE (FORMERLY WATERMAN GARDENS)

On Tuesday, February 13, 2024, on motion of Board of Commissioners \_\_\_\_\_, duly seconded by Board of Commissioners \_\_\_\_\_ and carried, the following resolution is adopted by the Board of Commissioners of the Housing Authority of the County of San Bernardino (the "Authority").

**WHEREAS**, the Authority is a duly formed housing authority of the State of California, and is vested with the responsibilities set forth in Division 24, Part 2, Article 4 (Sections 34310-34334) of the California Health and Safety Code, which includes providing low and moderate income housing within its jurisdiction; and

**WHEREAS**, National Community Renaissance ("CORE") is a 501(c)(3) tax exempt nonprofit corporation formed to assist in providing affordable housing; and

**WHEREAS**, the Authority is in the process of revitalizing the former Waterman Gardens public housing development, now known as Arrowhead Grove (the "Site") by demolishing the 76-year old buildings located on the Site and developing 411 new residential units and commercial space with the assistance of the U.S. Department of Housing and Urban Development's ("HUD") Rental Assistance Demonstration ("RAD") Program; and

**WHEREAS**, 322 new affordable housing units have already been built and occupied as part of the revitalization, and 214 additional mixed-income housing units are being planned for development through by low income housing tax credit partnerships (the "Partnerships") on portions of the Site ground leased to the Partnerships by the Authority (the "Leased Site"); and

**WHEREAS**, the Authority intends to enter into a ground lease agreement with CORE to lease a portion of the Property (the "Ground Lease"), so that a limited partnership, of which CORE or a CORE-controlled entity is the managing general partner or other entity with CORE or a CORE-controlled entity as the manager (the "Development Entity"), can develop a new affordable housing development of approximately ninety two one hundred eighty four (92) units (the "Project"), on the Property; and

**WHEREAS**, the Authority or an Authority-controlled entity is intended to be a limited liability participant in the Development Entity; and

**WHEREAS**, the Authority will provide commitments for loans to CORE in an aggregate amount not to exceed Two Million Five Hundred Twelve Thousand Dollars (\$2,512,000) (the "Development Loans") for development of the Project; and

**WHEREAS**, the Authority intends to allow CORE to assign the Ground Lease, Development Loans, and any other documents and agreements with respect to the Property and the Project to the Development Entity; and

**WHEREAS**, the Authority intends to assign the Housing Contract to CORE or the Development Entity; and

**WHEREAS**, the Authority and CORE intend to submit an application to the California Department of Housing and Community Development ("HCD") for an allocation of Affordable Housing

and Sustainable Communities (AHSC) Program funding to provide additional financing for development of the Project; and

**WHEREAS**, the Development Entity intends to finance the Project with a combination of funding sources including, but not limited to, the Development Loans, federal and state low income housing tax credits, and other private and public financing; and

**WHEREAS**, the City of San Bernardino ("The City") has approved and filed a Notice of Determination for the Waterman + Baseline Neighborhood Transformation Specific Plan (Specific Plan 15-01), under the California Environmental Quality Act (Public Resources Code Sections 21000 et seq.) ("CEQA") requirements, pursuant to 14 CCR Section 15075. The City considered the environmental effects of the Project and adopted Resolution No. 2016-256 certifying the Final Environmental Impact Report (California State Clearinghouse No. 2015081086) including a Mitigation Monitoring and Reporting Program for Specific Plan 15-01, which includes the Property and its future development. The City has determined that no further CEQA analysis is required pursuant to 14 California Code of Regulations Section 15162; and

**WHEREAS**, in accordance with the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321-4347), the Authority has completed and approved all applicable environmental review for the Project activities proposed to be taken and issued a Finding of No Significant Impact;

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Commissioners of the Housing Authority of the County of San Bernardino, as follows:

**Section 1.** The above recitals are true and correct, and the Board of Commissioners of the Housing Authority of the County of San Bernardino so finds and determines.

**Section 2.** Subject to (i) CORE's receipt of a California State Affordable Housing Sustainable Communities (AHSC) grant program award, (ii) CORE's receipt of a California Tax Credit Allocation Committee 4% Low-Income Housing Tax Credit allocation, and (iii) approval by the Board of Governors of a form of ground lease agreement for the project site, the Authority commits to being a partner in the development of the Project.

**Section 3.** Subject to (i) CORE's receipt of a California State Affordable Housing Sustainable Communities (AHSC) grant program award, (ii) CORE's receipt of a California Tax Credit Allocation Committee 4% Low-Income Housing Tax Credit allocation, and (iii) approval by the Board of Commissioners of a form of ground lease for the project site, the Authority commits to ground lease the project site to CORE.

**Section 4.** Subject to (i) CORE's receipt of a California State Affordable Housing Sustainable Communities (AHSC) grant program award, (ii) CORE's receipt of a California Tax Credit Allocation Committee 4% Low-Income Housing Tax Credit (LIHTC) allocation, and (iii) approval by the Board of Commissioners of a form of ground lease for the project site, the Authority commits to working with National CORE to navigate the process to successfully commit this project to the Faircloth to RAD program run by HUD.

**Section 5.** The Executive Director of the Authority is authorized to prepare and execute commitment letters for the federal funds, local unrestricted reserve funds, and the reassignment of the Rental Assistance Demonstration project-based voucher subsidy in a form consistent with this Resolution and acceptable to the Executive Director and Legal Counsel.

**Section 6.** The Executive Director of the Authority is authorized to execute any other form of document required by any lender, investor, regulator or other third party involved in this transaction, so long as the Executive Director and Legal Counsel determine that the substance of such document does not materially conflict with the substance and intent of this Resolution.

**Section 7.** This Resolution shall terminate if CORE is denied the California State Affordable Housing Sustainable Communities (AHSC) grant program award and shall thereafter have no force or effect.

**Section 8.** This Resolution shall terminate if CORE is denied an award of LIHTC funding in the 2018 second round competitive application process and shall thereafter have no force or effect.

**Section 9.** 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                    )  
  )       ss.  
COUNTY OF SAN BERNARDINO        )

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, June \_\_\_\_\_, 2021.

Secretary

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

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

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

Declaration of Trust between the Housing Authority of the County of San Bernardino and the U.S. Department of Housing and Urban Development regarding Valencia Grove Phase III

## **RECOMMENDATION(S)**

Adopt Resolution No. 188 authorizing the Executive Director, upon consultation with legal counsel, to execute, finalize and record a Declaration of Trust between the Housing Authority of the County of San Bernardino and the U.S. Department of Housing and Urban Development regarding Valencia Grove Phase III and any ancillary documents necessary to effectuate the recordation.

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

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.**

**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

**Aspirational Statement #5: To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing out resources by mobilizing the talents of our community partners.**

## **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 the cost of recording these documents will be waived since HACSB is exempt from County of San Bernardino's recording fees as a public agency.

## **BACKGROUND INFORMATION**

Valencia Grove was the first public housing site built in San Bernardino County. The original 115-unit public housing site is in the process of undergoing a major revitalization. The revitalization of this former public housing site consists of the following three phases:

- Valencia Grove Phase I was completed in April of 2016, which included 85 new affordable apartment homes, complete with garages, new playgrounds, and a community center.
- Valencia Grove Phase II will include 104 new affordable apartment homes and is under construction.
- Valencia Grove Phase III will include 39 new single-family homes for sale.

Several parcels at the Valencia Grove site had been transferred to Housing Partners I, Inc. (HPI), one of HACSB's affiliate non-profits, with the intention that HPI would develop single family homes on these lots for Phase 3. The development timelines for these properties have been delayed, in part due to the construction delays experienced during the first two phases of

Declaration of Trust between the Housing Authority of the County of San Bernardino and the U.S. Department of Housing and Urban Development regarding Valencia Grove Phase III  
February 13, 2024

construction as a result of the arduous process of securing the necessary funding.

HUD is requiring that the Phase 3 property revert back to the Authority's ownership and that a HUD Declaration of Trust be executed by the Authority and recorded against the Phase 3 property. The Authority accepted the transfer of the Phase 3 property from HPI to the Authority on January 10, 2023. This type of Declaration of Trust is standard with Authority-owned public housing properties and land.

As required by HUD, staff is proposing that HACSB enter into a Declaration of Trust with HUD and record the Declaration of Trust against the Phase 3 property.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on January 29, 2024.

## HOUSING AUTHORITY RESOLUTION NO. 2024-188

### A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO AUTHORIZING CERTAIN ACTS AND APPROVING CERTAIN AGREEMENTS RELATING TO VALENCIA GROVE (FORMERLY SCATTERED SITES, PIC NO. CA019000150)

On \_\_\_\_\_, \_\_\_\_\_, 20\_\_\_\_, on motion of Commissioner \_\_\_\_\_, duly seconded by Commissioner \_\_\_\_\_ and carried, the following resolution is adopted by the Board of Commissioners of the Housing Authority of the County of San Bernardino.

**WHEREAS**, the Housing Authority of the County of San Bernardino (the "Authority") is a duly formed housing authority of the State of California, and is vested with the responsibilities set forth in Division 24, Part 2, Article 4 (Sections 34310-34334) of the California Health and Safety Code, which include providing low and moderate income housing within its jurisdiction; and

**WHEREAS**, the Authority is in the process of revitalizing the former scattered sites public housing development previously designated as PIC No. CA019000150 and now known as Valencia Grove (the "Site") by demolishing the old buildings located on the Site and developing, in multiple phases, new multifamily residential rental units and homeownership units, consistent with and subject to disposition approvals granted by the U.S. Department of Housing and Urban Development ("HUD") Special Application Center ("SAC"), including without limitation the letter from SAC to the Authority dated March 12, 2012, as updated on October 12, 2022 (collectively, the "HUD Dispo Approval"); and

**WHEREAS**, 85 new affordable housing units have already been built and occupied as part of the revitalization through development of a project known as Valencia Grove 1 by the low income housing tax credit partnership, Redlands Valencia Grove I Associates, LP (the "Phase 1 Partnership") on portions of the Site ground leased to the Phase 1 Partnership by the Authority (the "Phase 1 Property"); and

**WHEREAS**, the Authority is continuing the revitalization of the Site through the development of new multifamily residential rental units in a project known as Valencia Grove 2 ("Valencia Grove 2") by a California limited liability company known as Valencia Grove II LLC (the "Company"), on portions of the Site ground leased to the Company by the Authority (the "Phase 2 Property"); and

**WHEREAS**, concurrently with the lease of the Phase 1 Property, the Authority transferred fee ownership of Lots 1-18 and Lot A as shown on Tract Map 18762-1 (the "Phase 3 Property") to Housing Partners I, Incorporated, a California nonprofit public benefit corporation ("HPI"), for redevelopment as affordable housing anticipated to be in the form of affordable single family homes; and.

**WHEREAS**, the HUD Disposition Approval requires that the Phase 3 Property revert to the Authority's ownership if it is not developed as planned homeownership units by 2019 and that a HUD Declaration of Trust be executed by the Authority and recorded against the Phase 3 Property at that time; and

**WHEREAS**, the Authority accepted the transfer of the Phase 3 Property from HPI to the Authority on January 10, 2023; and

**WHEREAS**, the Authority desires to enter into a Declaration of Trust with HUD and record the Declaration of Trust against the Phase 3 Property, and acknowledge, consent to, accept, and enter into such other documents as may be necessary to effect the requirements of the HUD Dispo Approval regarding the Phase 3 Property (collectively, the "Phase 3 Documents").

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Commissioners of the Housing Authority of the County of San Bernardino, as follows:

**Section 1.** The above recitals are true and correct, and the Board of Commissioners of the Housing Authority so finds and determines.

**Section 2.** The Authority is authorized to acknowledge, consent to, accept, and enter the Phase 3 Documents.

**Section 4.** The Declaration of Trust in substantially the form on file with the Secretary of the Board and made a part hereof as though set forth in full herein, be and the same is hereby approved. The Chairperson, Vice Chairperson, Chief Executive Officer, or Executive Director of the Housing Authority of the County of San Bernardino (each, an "Authorized Officer") are hereby authorized and directed, for and in the name of the Authority, to execute and deliver the Declaration of Trust in the form on file with the Secretary of the Board, with such changes, insertions and omissions as the Authorized Officer, in consultation with Legal Counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Declaration of Trust by the Authorized Officer.

**Section 5.** The Authorized Officer is hereby authorized and directed, for and in the name of the Authority, to execute and deliver the Phase 3 Documents in such form approved or required by Legal Counsel, such requirement or approval to be conclusively evidenced by the execution of the Phase 3 Documents by the Authorized Officer.

**Section 6.** To the extent that any actions authorized herein have already been performed, such actions are ratified and approved. 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                    )  
  )       ss.  
COUNTY OF SAN BERNARDINO        )

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 \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Secretary

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

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

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

Contract Amendment with CSG Advisors, Inc. for Financial Advisory Services.

## **RECOMMENDATION(S)**

1. Approve Amendment No. 1 to Contract No. PC1356, effective February 14, 2024, for financial advisory services to CSG Advisors, Inc., increasing the current amount by \$175,000 for a total contract amount not to exceed \$250,000 through September 14, 2024.
2. Authorize and direct the Executive Director to execute and deliver the contract amendment to CSG Advisors, 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)

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.**

**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

## **FINANCIAL IMPACT**

The total amount is not expected to exceed \$250,000 which is funded through proceeds from individual development project financings, depending on the project. The amount for Fiscal Year 2024 is included in the budget and will be included in subsequent fiscal year budgets.

## **BACKGROUND INFORMATION**

Arrowhead Grove, formally known as the Waterman Gardens public housing site, located on the southeast corner of Waterman Avenue and Baseline Street in the City of San Bernardino is a former public housing development that previously consisted of 252 units. HACSB has been pursuing a vision to demolish the old public housing units and develop 411 residential units and commercial space through the Arrowhead Grove revitalization efforts. As part of the financing for the project, on August 7, 2018, the Board of Governors approved the preliminary bond authorization for the Arrowhead Grove Phase II & III construction project. CSG Advisors Inc. (CSG) has assisted staff in reviewing and evaluating proposed lenders and financial structures for the phase currently under development (Phase IV). Staff recommends maintaining CSG's services as a Financial Advisor through financial closing of the current development phase, future phases of the overall Arrowhead Grove development, and for future development projects.

**PROCUREMENT**

HACSB utilized a piggyback process to secure a contract with CSG Advisors, Inc. The original procurement was conducted by the Housing Authority for the City of Los Angeles (HACLA). HACSB executed a contract in the amount of \$75,000 with CSG Advisors, Inc. which is within the authorized amount in HACSB's procurement policy for the professional services threshold granting the Executive Director authority to award contracts.

Staff now seeks Board of Commissioners approval of Amendment No. 1 to increase the compensation by \$175,000 for a total contract amount not to exceed \$250,000 for CSG Advisors, Inc. The approval sought further requests that the Executive Director be authorized to execute the amendment.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on January 29, 2024.



**AMENDMENT #1 TO CONTRACT FOR FINANCIAL ADVISOR SERVICES  
(PC1356)**

**BETWEEN**

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

**And**

**CSG ADVISORS, INC.**

This Amendment No. 1 ("First Amendment"), dated February 14, 2024 ("Effective Date"), to Agreement for Financial Advisory Services (PC1356), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, ("Authority") and CSG Advisors, Inc. ("Contractor").

**RECITALS**

**WHEREAS**, the Authority and Contractor entered into that certain Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated November 25, 2023, relating to Financial Advisor Services ("Agreement") with a total price of \$75,000.00.

**WHEREAS**, the Authority and Contractor now wish to enter into this First Amendment to the Agreement to increase the Price payable to Contractor by \$175,000.00 for an overall amount of \$250,000.00 through September 14, 2024.

**OPERATIVE PROVISIONS**

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

**Section 1.** Article 4 of the Agreement, entitled "Price" is hereby amended to increase the compensation payable to Contractor for the provision of the Work the total not to-exceed sum as shown in the Total Agreement Cost set forth on Exhibit "A-1. Except as so amended, the other provisions of Article 4 shall remain unmodified and in full force and effect.

**Section 2.** Continuing Effect of Agreement. Except as amended by this First Agreement, all provisions of the Agreement, as amended, shall remain unchanged and in full force and effect. From and after the date of this First Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by this First Amendment.

**Section 3.** Affirmation of Agreement; Warranty Re Absence of Defaults. Authority and Consultant each ratify and reaffirm each one of the respective rights and obligations arising under the Agreement, as amended. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than by way of this First Amendment as provided herein. Each party represents and warrants to the other that the Agreement, as amended by this First Amendment, is currently an effective, valid, and binding obligation.

Consultant represents and warrants to Authority that, as of the date of this First Amendment, Authority is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

Authority represents and warrants to Consultant that, as of the date of this First Amendment, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

**Section 4.** Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this First Amendment.

**Section 5.** Authorization. The persons executing this First Amendment on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this First Amendment, such party is formally bound to the provisions of this First Amendment, and (iv) the entering into this First Amendment does not violate any provision of any other agreement to which said party is bound.

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IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and CSG Advisors, Inc. hereby execute this First Amendment.

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**CSG ADVISORS, INC.**

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

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

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

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

Name: Maria Razo

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

Title: Executive Director

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

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

**Exhibit A-1**

**Schedule Dates:**

Effective Date: February 14, 2024  
Completion Date: September 14, 2024

**Total Agreement Cost: Not to exceed \$250,000.00**

<b>Original Agreement Amount Not to Exceed</b>	<b>\$75,000.00</b>
<b>Net Change Orders Previously Approved</b>	<b>\$0.00</b>
<b>Net Change Order – Amendment #1</b>	<b>\$175,000.00</b>
<b>Agreement Value as Amended Not to Exceed</b>	<b>\$250,000.00</b>

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

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

**Contract for Tenant Screening Services with National Credit Reporting**

## **RECOMMENDATION(S)**

1. Approve contract No. PC1352, effective February 25, 2024, with National Credit Reporting for Tenant Screening Services, in an amount not to exceed \$320,000 for a two-year base period with three single or multiple year option extensions through February 24, 2029.
2. Authorize and direct the Executive Director to execute and deliver Contract No. PC1352 to National Credit Reporting, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.  
(Presenter: Maria Razo, Executive Director, 332-6305)

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.**

**Aspirational Statement #4: To utilize research and technology to drive innovative programming and operational processes which allow us to be more responsive and result in the advancement of the families we serve.**

**Aspirational Statement #5: To create, build and utilize partnerships that provide opportunities and create a meaningful difference in the lives of the families that we serve, maximizing out resources by mobilizing the talents of our community partners.**

## **FINANCIAL IMPACT**

The cost is not expected to exceed \$320,000 for the two-year base period which is included within the Housing Authority of the County of San Bernardino's (HACSB) approved budget. Expenditures for tenant screening services are estimated at \$160,000 per year. This cost is allocated to the various program budgets as an operating expense.

## **BACKGROUND INFORMATION**

HACSB requires assistance from qualified consultants and firms to provide tenant screening services and other information to assist HACSB staff in determining whether applicants who apply for housing assistance are suitable for residence in HACSB owned and/or managed communities, or participation in the Housing Choice Voucher (HCV) program administered by HACSB. On an as-needed basis other HACSB departments may require tenant screening services for other reasons such as home-ownership programs or to investigate alleged fraudulent activity by program participants.

Section 578 of the Quality Housing and Work Responsibility Act (QHWRA) of 1998, and Section 5.903 of 24 CFR Part 5, Access to Criminal Records and Information state how Public Housing Agencies (PHAs) that administer Public Housing and HCV) Programs are authorized to obtain

and use criminal records to screen applicants. Under these regulations for Public Housing and HCV Programs, there are certain policies that PHAs must adopt to screen out applicants that have engaged in specific criminal conduct. Examples of criminal conduct are violence, registered sex offenders and serious drug activity. Applicants who have engaged in any of these criminal activities will not be accepted into any of the housing programs. In compliance with these requirements, HACSB does check all applicants in all programs for any criminal background and related activities.

### **PROCUREMENT**

The Procurement and Contracts Department released a Request for Proposal (RFP) PC1352 on November 7, 2023. Outreach efforts included invitations to four (4) vendors, advertising in local newspapers, and posting on the agency's website. Two (2) proposals were received in response to this RFP. Proposals were evaluated per the requirements of the RFP in which National Credit Reporting (NCR) was the most qualified, reasonably priced, and responsive to provide these services to the agency.

Contractors Name	Location	Score
Contemporary Information Corporation	Lancaster, CA	380
National Credit Reporting	San Jose, CA	383

Based on the responses for these services that were solicited to an adequate number of sources and in accordance with Title 2 Code of Federal Regulations Part 200, staff recommends awarding a contract for Tenant Screening Services to NCR.

### **REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on January 26, 2024.

**THIS CONSULTING, SERVICES, AND NON-ROUTINE MAINTENANCE RELATED SERVICES AGREEMENT (NON-CONSTRUCTION)** ("Agreement") (PC1352) is made as of the **25th day of February, 2024** ("Effective Date") by and between **NATIONAL CREDIT REPORTING (NCR)** ("Contractor"), a **California Corporation** (*if applicable*) and the Housing Authority of the County of San Bernardino, a California public entity ("HACSB").

#### **RECITALS**

**WHEREAS**, HACSB is a public entity in San Bernardino County, State of California, committed to provide affordable and safe public housing for low and moderate income families; and

**WHEREAS**, Contractor has offered to provide certain services to HACSB, and HACSB wishes to retain Contractor for the provision of such services.

#### **OPERATIVE PROVISIONS**

**NOW, THEREFORE**, in consideration of the foregoing Recitals, which Recitals are incorporated herein by this reference, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and for the mutual covenants contained herein, Contractor and HACSB hereby agree 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", attached hereto and incorporated herein by reference ("Work"). In connection with its performance of the Work, Contractor shall comply with all of the Contract Documents (as hereinafter defined).

**ARTICLE 2. Contract Documents.** This Agreement incorporates by reference all of the following documents ("Contract Documents"):

1. General Conditions for Non-Construction Contracts Section I – (with or without Maintenance Work) (Form HUD 5370), attached hereto as Exhibit "B" and incorporated herein by reference.
2. Additional General Provisions, attached hereto as Exhibit "C" and incorporated herein by reference ("Additional Provisions").
3. Work Authorization, attached hereto as Exhibit "D" and incorporated herein by reference.
4. All applicable Federal, State, and Local laws, ordinances and regulations related to this Agreement shall be incorporated herein by reference. This Agreement is funded by the U. S. Department of Housing and Urban Development, and is subject to all regulations and requirements for agreements funded by HUD. Federal Regulations may be found at <http://www.gpoaccess.gov>. State of California regulations may be found at <http://www.leginfo.ca.gov>. For laws the County of San Bernardino, go to <http://www.sblawlibrary.org>.

**ARTICLE 3. Term; Time of Completion.** Contractor shall commence work under this agreement for a **two (2) year base period with the option to extend up to three (3) additional single or multiple years**, beginning on or about **February 25, 2024** and expiring on **February 24, 2026** unless for any reason funds which have been appropriated for the provision of these services are no longer available, or until such time as terminated per the terms of the agreement in accordance with contract provisions in Article 19, which term may be extended **for single or multiple year extension options in HACSB's discretion for a maximum of three (3) years**. Contractor shall not commence work prior to the date of issuance by HACSB of a work authorization in the form set forth on Exhibit "D", attached hereto and incorporated herein by reference ("Work Authorization"). HACSB shall have the option to extend the engagement up to three single or multiple year terms. The optional years shall be exercised by written amendments executed by each party with board approval for additional funding on option years if needed. Option years will begin on or

about **February 25, 2026** and expire no later than **February 24, 2029**. Following issuance of a Work Authorization, Contractor shall timely complete the Work in accordance with the schedule requirements specified in Exhibit "A", and within the term of this Agreement.

**ARTICLE 4. Price.** Unless otherwise specified in the Statement of Work, HACSB agrees to pay Contractor a not-to-exceed amount of **\$320,000** for the provision of work per the fee schedule **for the two (2) base year contract period**. Details defined in Exhibit A – Scope of Services – Fee Schedule. Price as set forth herein, 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.

**ARTICLE 5. Performance of Work.** Contractor shall perform its duties on premises approved by HACSB, during HACSB's regular work days and normal work hours and warrants that it shall perform the Work in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Contractor acknowledges that HACSB has the right to review the Work performed by Contractor and may, in its discretion, reject the Work, or any part thereof, as set forth in the Additional Provisions. In the event HACSB rejects any or all of the Work, at HACSB's election: (a) Contractor shall promptly correct any such deficiencies in the Work, or (b) the deficient Work shall be stricken from this Agreement and Contractor shall not be paid for such portion of the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work and that such licenses and approvals shall be maintained throughout the term of this Agreement. Any employee of Contractor or its subcontractors who is determined by HACSB to be uncooperative, incompetent, a threat to the adequate or timely completion of the Work, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Work in a manner acceptable to HACSB, shall be promptly removed from the Work by the Contractor and shall not be re-employed to perform any of the Work under this Agreement.

**ARTICLE 6. HACSB's Right to Stop Work.** HACSB has the right to require Contractor to stop or suspend Work pursuant to the "Stop Work" provisions of the Additional Provisions.

**ARTICLE 7. No Conflicts.** HACSB acknowledges that Contractor has other business and personal interests, separate and apart from the services contemplated by this Agreement, and nothing in this Agreement is intended to preclude Contractor from devoting time and attention to such business and personal interests. HACSB further acknowledges that Contractor has the right to accept other engagements as long as said engagements do not represent a conflict of interest with respect to the Work or the obligations of Contractor to HACSB pursuant to this Agreement. In connection with Contractor's performance of the Work hereunder, Contractor represents that there exists no actual, potential or appearance of conflict arising out of Contractor's business and financial interests.

**ARTICLE 8. Limit of Engagement.** This Agreement does not and shall not be construed to create any partnership or agency whatsoever. Contractor shall not be deemed to be a partner, joint venture, agent or legal representative of HACSB for any purpose, nor shall Consultant have any authority or power to act for, or to undertake any obligation or responsibility on behalf of, HACSB or corporations affiliated with HACSB, other than as expressly herein provided. HACSB retains Contractor on an independent contractor basis and Contractor is not an employee of HACSB. Any additional personnel performing Work under this Agreement on behalf of Contractor shall not be employees of HACSB and shall at all times be under Contractor's exclusive direction and control.

**ARTICLE 9. Responsibilities of HACSB.** If information, data, or documentation necessary to facilitate Contractor's performance of the Work is required to be provided by HACSB, HACSB shall provide such information upon request by Contractor. It is Contractor's responsibility to determine if any such information is necessary in order

to perform its obligations hereunder and to request such information from HACSB in a sufficient amount of time in order for Contractor to perform the Work hereunder.

**ARTICLE 10. Additional Work.**

- a. In the event that the parties mutually agree that additional and further work beyond that specified in the Statement of Work ("Additional Work") is required to be performed by Contractor, such Additional Work shall be memorialized in a Work Authorization executed by HACSB and Contractor. The Work Authorization shall include and specifically identify the types of services required to perform as part of the Additional Work, all significant material to be delivered to HACSB, the time schedule for completion of the Additional Work, and the price for such Additional Work.
- b. Nothing herein shall obligate HACSB to utilize Contractor to perform the Additional Work or in any way limit HACSB's rights to utilize third parties to perform or assist in performing the Additional Work. In no event shall Contractor commence performance of the Additional Work until it has received written consent executed by a duly authorized representative of HACSB.
- c. In the event that HACSB provides a Work Authorization for Additional Work, all of the terms and conditions of this Agreement shall apply to the performance of such Additional Work.

**ARTICLE 11. Contractor's Obligation to Stop Work.** Personnel resources will not be expended (at a cost to HACSB) on task accomplishment in excess of the schedule requirements set forth in "Exhibit A" unless the procedure below is followed:

- a. If, in the performance of the Work, Contractor determines that the Work to be performed under this Agreement cannot be accomplished within the estimated work hours, Contractor will immediately notify HACSB in writing of Contractor's estimate of the work hours which will be required to complete the Work. Upon receipt of such notification, HACSB may:
  - i. Authorize Contractor to expend the estimated additional work hours or service in excess of the original estimate necessary to accomplish the Work Authorization (such an authorization not unreasonably to be withheld); or
  - ii. Terminate this Agreement; or
  - iii. Alter the scope of the Work in order to define tasks that can be accomplished within the remaining estimated work hours.
- b. HACSB will notify Contractor in writing of its election within seven (7) calendar days after receipt of Contractor's notification. If notice of the election is given to proceed, Contractor may expend the estimated additional work hours or services, as memorialized in a Work Authorization signed by Contractor and HACSB. In the event that HACSB fails to notify Contractor within such seven (7) calendar day period, Contractor shall provide a second notice to HACSB requesting a determination. Contractor shall not proceed with the Work until such time as HACSB has made an election as to how it wishes to proceed, and a Work Authorization has been approved.

**ARTICLE 12. Invoicing and Payment for Services.** During the execution of each Milestone (as set forth in the Statement of Work) which involves the delivery to HACSB of identified Deliverables (as defined in the Statement of Work), Contractor may submit periodically to HACSB invoices reflecting a pro-rata cost of the Milestones, determined on the basis of the lesser of either:

- a. The number of Deliverables provided to HACSB divided by the total number of Deliverables required to be delivered to HACSB, less a ten percent (10%) withhold, less any amounts previously invoiced; or

- b. The number of work-hours expended by Contractor in the performance of the Work divided by the number of work hours scheduled for the Work, less a ten percent (10%) withhold, less any amounts previously invoiced; provided that the Statement of Work may specify a withhold of more than ten percent (10%).
- c. For those Milestones which do not involve delivery to HACSB of identified Deliverables, but which are of a continuing nature, Contractor may submit invoices reflecting a pro-rata cost of the Milestone, less a ten percent (10%) withhold, less any amount previously invoiced. Actual progress payment amounts for such Milestones must be based on at least equivalent services rendered, and to the extent practicable, will be keyed to clearly identifiable stages of progress as reflected in written reports submitted with the invoices.
- d. Upon completion of a Milestone in accordance with the acceptance criteria set forth herein, the full charge for such Milestone, less amounts previously invoiced to HACSB, may be submitted for payment.
- e. In the event that Additional Work is performed pursuant to a Work Authorization, such Additional Work shall be paid by HACSB according to the same procedure set forth above with respect to the Work, unless a different method for payment is specified in such Work Authorization.
- f. Invoices prepared in accordance with this provision will not be submitted more frequently than monthly to HACSB.
- g. In the aggregate, invoices reflecting progress payments will not exceed ninety percent (90%) of the Agreement Price, with the balance to be invoiced upon completion of the Agreement, in accordance with the acceptance criteria set forth herein.
- h. No charge for transportation, delivery, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or for any other purpose will be paid by HACSB unless expressly included and itemized in the Statement of Work or Work Authorization.
- i. Payments for all any and all invoices or other obligations are satisfied electronically through the Automated Clearing House (ACH) system. The Contractor hereby authorizes the HACSB to initiate payment electronically to any bank account maintained by the contractor wherever located. Contractor shall promptly comply with directions and accurately complete forms provided by HACSB required to process ACH payments.

**ARTICLE 13. Return of HACSB Property.** All reports, plans, designs, specifications, field data, construction documents, and other documents and instruments, including electronic files, but excluding Contractor's notes, relating to the Work shall be and remain the property of HACSB and shall be turned over to HACSB promptly upon the completion of the Work, or upon the earlier termination of this Agreement. Contractor hereby waives and assigns to HACSB all intellectual property or common law rights Contractor may develop in the Work. Contractor shall not use any trademarks owned by HACSB without HACSB's prior written authorization.

**ARTICLE 14. Confidential Information.** HACSB agrees to make available to Contractor information that may be needed to perform the Work. Such information may include information HACSB considers to be confidential. For purposes hereof, "Confidential Information" of HACSB means any nonpublic, proprietary information or technology used in HACSB's business, and any materials evidencing the same (specifically, including, without limitation, technical data or know-how relating to development plans, business plans, services, customers, markets, inventions (whether patentable or not), processes, designs, drawings, research, developments, strategies, marketing and/or financial information). Unless HACSB acknowledges that any such information provided under this Agreement is not Confidential Information, all information provided by HACSB to Contractor shall be considered to be Confidential

Information. Unless approved in advance in writing or compelled to make such disclosure by a government agency, by court order, or by law, Contractor shall not disclose, transfer, distribute or allow access to any of HACSB's Confidential Information to any third parties, except those individuals employed by Contractor and who are specifically authorized by Contractor to perform the Work contemplated in this Agreement.

**ARTICLE 15. Indemnity; Hold Harmless.** Contractor agrees to defend, save, indemnify and hold harmless HACSB and all its officers, employees, and agents, against any and all liabilities, claims, judgments, or demands, including demands arising from injuries or death of persons (Contractor's employees included) and damage to property, arising directly or indirectly out of the performance of the Work, the obligations herein undertaken or out of the operations conducted by Contractor, save and except claims or litigation to the extent arising through the active negligence or willful misconduct of HACSB. Contractor shall reimburse HACSB for any expenditures, including reasonable attorneys' fees, HACSB may incur arising out of any such claim or litigation, and, if requested by HACSB, Contractor shall defend any such suits at the sole cost and expense of Contractor with counsel selected by HACSB. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against HACSB or its officers, employees, and agents in any such suit, action or other legal proceeding.

**ARTICLE 16. Compliance with Contract Documents.** Contractor shall comply with all of the Contract Documents in connection with the performance of the Work hereunder. In the event of any conflict between this Agreement and the Contract Documents, the Contract Documents shall control. Contractor shall also comply with all agreements, representations, warranties, covenants, and certifications of Contractor made in connection with the procurement of this Agreement, provided that in the case of a conflict between the foregoing and the Contract Documents and this Agreement, the Contract Documents and this Agreement shall control.

**ARTICLE 17. Assignment.** Neither the Agreement, nor any part thereof, nor moneys due or to become due there under may be assigned by Contractor without the prior written approval of HACSB. This Agreement shall be binding on the successors and assigns of the parties.

**ARTICLE 18. Rights and Remedies of HACSB for Default.**

In the event any goods furnished or services provided by Contractor in the performance of the Work should fail to conform to the requirements herein, or to the sample submitted by Contractor, HACSB may reject the same, and it shall become the duty of Contractor to reclaim and remove the item promptly or to correct the performance of services, without expense to HACSB, and immediately replace all such rejected items with others conforming to the Agreement.

- a. In addition to any other rights and remedies HACSB may have, HACSB may require Contractor, at Contractor's expense, to ship goods via air freight or expedited routing to avoid or minimize actual or potential delay if the delay is the fault of Contractor.
- b. In the event of the termination of the Agreement, either in whole or in part, by reason of default or breach by Contractor, any loss or damage sustained by HACSB in procuring any items which Contractor agreed to supply shall be borne and paid for by Contractor.
- c. HACSB reserves the right to offset the reasonable cost of all damages caused to HACSB against any outstanding invoices or amounts owed to Contractor or to make a claim against Contractor therefore.

**ARTICLE 19. Termination.** In addition to the rights of Termination for Convenience of HACSB and Termination for Default set forth in the Contract Documents, HACSB may terminate this Agreement if Contractor should file a bankruptcy petition and/or be adjudged a bankrupt, or if Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency (as referenced in HUD Form 5370-C section 1 page 1). HACSB may serve written notice upon Contractor of its intention to terminate the

Agreement. The notice shall contain the reasons for such intention to terminate the Agreement, and, unless within ten (10) days after serving such notice, such violation shall cease and satisfactory arrangements for correction thereof be made, upon the expiration of the ten (10) days, the Agreement shall cease and terminate. In the event of any such termination, HACSB shall serve written notice thereof upon any surety and Contractor, and any such surety shall have the right to take over and perform Contractor's obligations pursuant to this Agreement; provided, however, that if such surety does not provide HACSB written notice of its intention to take over and perform the Work required under this Agreement within fifteen (15) days after receiving such written notice, or such surety does not commence performance thereof within thirty (30) days after providing such written notice to HACSB, HACSB shall have the right to perform all uncompleted portions of the Work and to prosecute the same to completion by contract or by any other method it deems advisable, for the account and at the expense of Contractor, and Contractor and its surety shall be liable to HACSB for any excess costs occasioned HACSB thereby and, in such event, HACSB may, without liability for doing so, take possession of and utilize in completing the Work, such materials, appliances, and other property belonging to Contractor as may be on the site of the Work and necessary for the performance of the Work.

**ARTICLE 20. No Waiver.** No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Agreement shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein.

**ARTICLE 21. Modification.** This written Agreement may not be later modified except by a further writing signed by HACSB and Contractor and no term of this Agreement may be waived, except by writing signed by the party waiving the benefit of such term. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties.

**ARTICLE 22. Notices.** All notices required pursuant to this Agreement shall be communicated in writing, and shall be delivered in person, by commercial courier providing proof of delivery, or by certified mail, return receipt requested. ***All notices sent pursuant to this Agreement shall be addressed as follows:***

**If to HACSB:**

Brittany Cook, Procurement Officer  
Housing Authority of the County of San Bernardino  
715 E. Brier Drive  
San Bernardino, CA 92408-2841  
[bcook@hacsb.com](mailto:bcook@hacsb.com)

**If to Contractor:**

John Diaz  
National Credit Reporting  
6830 Via Del Oro, Suite #105  
San Jose, CA 95119  
[John@ncrcredit.com](mailto:John@ncrcredit.com)

Notices will be deemed effective upon receipt or rejection only.

**ARTICLE 23. Complete Agreement.** This written Agreement is the final, complete and exclusive statement and expression of the agreement between HACSB and Contractor and of all the terms of this Agreement and cannot be varied, contradicted, nor supplemented by evidence of any prior or contemporaneous oral or written agreements.

**ARTICLE 24. Applicable Law/Venue.** This Agreement shall be construed and interpreted in accordance with the internal laws of the State of California, with proper venue for any litigation in San Bernardino County, California.

**ARTICLE 25. Severability; Headings.** If any portion of this Agreement is held invalid or inoperative, the other portions of this Agreement shall be deemed valid and operative and so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. The section headings herein are for reference purposes only and are not intended in any way to describe, interpret, define or limit the extent or intent of this Agreement or of any part hereof.

**ARTICLE 26. Interpretation.** Should any provision of this Agreement require interpretation, it is agreed that the person or persons interpreting or construing the same shall not apply a presumption that the terms of this

Agreement shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent or counsel prepared the same or caused the same to be prepared; it being agreed that the agents and counsel of all of the parties have participated equally in the negotiation and preparation of this Agreement. The language in all parts of this Agreement shall be in all cases construed simply, fairly, equitably and reasonably, according to its plain meaning and not strictly for or against any of the parties.

**ARTICLE 27. Counterparts.** 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.

**ARTICLE 28. Eight-Hour Law.** Pursuant to the provisions of the California Labor Code, eight hours of labor shall constitute a legal day's work, and the time of service of any worker employed on the work shall be limited and restricted to eight hours during any one calendar day, and forty hours in any one calendar week, except when payment for overtime is made at not less than one and one-half the basic rate for all hours worked in excess of eight hours per day ("Eight-Hour Law"). Contractor shall forfeit to HACSB as a penalty, \$50.00 for each worker employed in the execution of this Agreement by him, or by any subcontractor under him, for each calendar day during which such workman is required or permitted to work more than eight hours in any calendar day and forty hours in any one calendar week without such compensation for overtime violation of the provisions of the California Labor Code, unless Contractor or the Work are not subject to the Eight-Hour Law.

**ARTICLE 29. Subcontracting.** Contractor shall not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without prior written approval of HACSB. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

**ARTICLE 30. Attorney's Fees.** If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of such actions.

**ARTICLE 31. Survival.** All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification and confidentiality obligations, shall survive any such expiration or termination.

**ARTICLE 32. No Third Party Beneficiaries.** Except as expressly stated herein or in the Contract Documents, there are no intended third party beneficiaries of any right or obligation assumed by the parties.

**[END – SIGNATURES ON NEXT PAGE]**

**SIGNATURE PAGE TO**  
**CONSULTING, SERVICES, AND NON-ROUTINE MAINTENANCE RELATED SERVICES AGREEMENT**  
**(NON-CONSTRUCTION)**  
**PC1352 – TENANT SCREENING SERVICES**

**IN WITNESS WHEREOF**, HACSB and Contractor have entered into this Agreement as of the Effective

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

**National Credit Reporting (NCR)**

By: \_\_\_\_\_ (Affix seal if a corporation)

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

Its: \_\_\_\_\_

**CERTIFICATE OF CORPORATE AUTHORITY**

I, \_\_\_\_\_, certify that I am the \_\_\_\_\_ of the corporation named as Contractor herein; that \_\_\_\_\_ who signed this Agreement on behalf of Contractor, was then \_\_\_\_\_ of said corporation; that said Contract was duly signed for and in behalf of said corporation and its governing body and is within the scope of its corporate powers.

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

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

Its: \_\_\_\_\_

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

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

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

Name: Maria Razo

Its: Executive Director

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

## **Exhibit A – Scope of Work**

1. Report Content Elements. Tenant screening and other requested background reports will consist of designated combinations of the following informational elements:

- a. Landlord/housing provider research covering the past five (5) years of applicant housing history regarding rent payment, financial obligations, unit care, peaceful enjoyment, and lease compliance.
- b. Civil court activity to identify eviction actions, collections, judgments, public record and other liabilities related to housing history.
- c. Integrated three (3) bureau industry-standard credit report and credit rating in compliance with the Fair Credit Reporting Act (FCRA) to assist in verification of applicant supplied income and asset information.
- d. Residence history from the applicant's credit report to identify addresses and localities where applicants have a history of financial activity.
- e. Criminal history, to include:
  - I. Any and all information relative to any criminal convictions or activity, both felonies and misdemeanors within the past seven (7) years;
  - II. Any and all information relative to any criminal charges that are currently pending before the court of the State of California or any jurisdiction, including the federal courts;
  - III. Sex offender registration requirement (Levels 1, 2, & 3) for any household member in the state of California or any other states where any family member is known to have resided;
- IV. Any and all drug related activity. The Housing Authority is a federally funded Agency and as a result, does not recognize State and Local laws that decriminalize certain drugs, including medical marijuana.
- f. Driver's license and/or state issued ID verification.
- g. Social Security Number (SSN) verification.

All reports shall include description of charges, explanation and sentence for each citation.

2. Report Format. The Consultant will provide tenant screening and other requested background reports in a format that is mutually acceptable to the Consultant and HACSB, and will incorporate the following technical elements:

- a. The report format may be subject to revision during the contractual period to accommodate administrative requirements. Such revisions will be communicated to the Consultant in writing at least ten (10) business days prior to implementation. A draft modified report will be provided to HACSB for review within five (5) business days of the revision request and a final, mutually accepted, revised report format will be ready at least 48 hours prior to implementation of the change(s).
- b. The report must be available in an electronic format that is convertible to a printable format for imaging and reproduction purposes.

c. Housing history and criminal background information will be individually separated from the body of the report by page breaks in order to create a distinct and singular housing history and criminal background “sub-report” sections. ***References to an applicant’s criminal background must not appear in other sections of the report.***

d. The report will have a professional appearance, using correct grammar and spelling, with appropriate use of white space to facilitate readability.

e. The report will be well organized with logical groupings of individual topics and information flow containing industry-standard terms and measurements.

f. The reports must be kept on file and stored electronically at the Consultant’s site for reference and future retrieval for 12 months from the original request date.

3. Customization Options. The Consultant must have capacity to provide customized reports as requested by HACSB comprised of designated combinations of the seven (7) report content elements listed in the Scope of Work, plus the sub sections, in the interest of economy, expense and time, as needed. Specifically:

a. Full report, as defined by the Scope of Work.

b. Criminal background only, including sex offender check, driver’s license (or state issued ID) and SSN validation.

c. Credit report only.

d. Eviction(s) and other public record(s).

4. Methods of Communication and Report Submission.

a. Consultant must operate a secure web site at all times with mechanisms in place to secure information posted to, archived within, and retrieved from the web site as well as during transmission via the Internet between HACSB and the Consultant.

b. Consultant must have capacity for HACSB staff to transmit application information to the Consultant by using a Consultant supplied and maintained web-based secure form and by facsimile using a Consultant provided hard-copy application and release of information form as an alternative in the event that the Internet based system is experiencing technical difficulties.

c. Consultant must have practices and protections in place to ensure that confidential information is handled appropriately from the point at which a request is submitted by HACSB staff to receipt of the final report by HACSB staff. The Consultant cannot be held responsible for inappropriate use of information after the report has been received and reproduced.

d. Consultant must immediately notify HACSB in writing in the event of a data security breach that compromises the security, confidentiality, or integrity of personal information.

- e. Completed tenant screening and background reports will be posted by the Consultant on their secure web site to be accessed by designated HACSB staff.
- f. The Consultant will immediately notify HACSB staff by e-mail using a standard format once completed reports have been posted to the Consultant's web site.
- g. The Consultant's web site will have capacity to archive information for limited future retrieval (up to 90 days).

#### 5. Professional Service Expectations.

a. The Consultant will have staffing capacity to process approximately 5,000 - 6,500 tenant screening and background reports annually. The average monthly screenings are 550 per month for the HCV program and 50-100 per month for the affordable housing program. There may be additional screenings conducted for or to investigate alleged fraudulent activity by program participants, which are not included in the totals above.

The actual number of reports may vary significantly and HACSB cannot commit to or guarantee specific volume.

b. The Consultant will endeavor to post completed tenant screening and background reports on its web site within two (2) business days of HACSB's report request submission. The two (2) day timeline is intended to be a general timeframe and should not result in limiting or mitigating the quality of information in the individual background reports which may on occasion require a longer timeframe to accurately complete. Delays will be communicated to HACSB staff as quickly as possible. For the purpose of any contract issued as a result of this RFP, fewer than 10% of reports submitted in excess of two (2) business days will be considered acceptable performance. Repeated response delays in excess of (2) business days will be considered non-performance of the contract.

c. The Consultant will be accessible during regular business hours from 9:00 a.m. to 4:30 p.m. (Pacific Time), Monday through Friday, to positively resolve problems and engage HACSB staff in building and maintaining a productive working relationship.

d. The Consultant will provide on-site training to HACSB staff in the use of the Consultant's web site interface at the HACSB Programs Office located at 672 South Waterman Ave., San Bernardino, CA 92408. Training will be provided one (1) time, for a minimum of three (3) hours to the HACSB Housing and IT staff.

e. The Consultant will provide written information to HACSB staff regarding the interpretation of tenant screening and background reports including industry standard terminology, measurements, and concepts.

f. The Consultant will have a stated position on the ethical obligations associated with the background-reporting industry which acknowledges the Consultant's obligations under law, states the Consultant's position on the accuracy of reported information, and outlines how the Consultant will respond to inquiries and complaints.

g. The Consultant will provide qualified personnel (available free-of-charge upon referral from HACSB staff) to advise applicants who request clarification, who may dispute the information that the Consultant has reported about them, or who may simply desire advice about how to manage the problems in their credit report.

10. The Consultant will provide updates to HACSB to remain compliant with industry changes/updates in accordance with the Fair Credit Reporting Act (FRCA)

### Scope of Services – Fee Schedule:

Item	Services	Yr 1 2024-25	Yr 2 2025-26
1	Complete report which includes the nine (9) report content elements listed in the Scope of Work.	49.95	49.95
	Individual reports:		
2	Landlord/housing provider research covering the past five (5) years of applicant housing history regarding rent payment, unit care, peaceful enjoyment, and lease compliance.	7.95	7.95
3	Civil court activity to identify eviction actions, collections, judgments, and other liabilities related to housing history.	3.95	3.95
4	Integrated three (3) bureau industry-standard credit report and credit rating in compliance with the Fair Credit Reporting Act (FCRA) to assist in verification of applicant supplied income and asset information.	15.95	15.95
5	Personal address history from the applicant's credit report to identify addresses and localities where applicants have a history of financial activity.	1.95	1.95
6 *	Criminal history, to include sex offender and terrorist searches; in San Bernardino, Riverside, and Los Angeles Counties and in all other states of record, as made known by applicant-provided housing history and by other information which surfaces in the credit and address history information. Report	14.95	14.95
7 *	Driver's license and/or state issued ID verification.	6.95	6.95
8	Social Security Number (SSN) verification.	2.95	2.95
9	Nationwide Criminal History report which includes Terrorist and Sex Offender searches. Report shall include description of charges, explanation and sentence for each citation.	5.95	5.95
10	Lifetime Sex Offender Registry reports (levels 1, 2, & 3)	4.95	4.95
	Customized Reporting:		

\* Court, state, or institute fees may apply.

**Exhibit B**  
**GENERAL CONDITIONS FOR NON-CONSTRUCTION WORK**  
**(HUD – 5370-C)**

**Document on Following Page**

# General Conditions for Non-Construction Contracts

## Section II – (With Maintenance Work)

### U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 11/30/2023)

Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number.

**Applicability. This form HUD-5370C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:**

- 1) Non-construction contracts (*without* maintenance) greater than \$150,000 - use Section I;
- 2) Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 905.200) greater than \$2,000 but not more than \$150,000 - use Section II; and
- 3) Maintenance contracts (including nonroutine maintenance), greater than \$150,000 – use Sections I and II.

### Section II – Labor Standard Provisions for all Maintenance Contracts greater than \$2,000

#### 1. Minimum Wages

- (a) All maintenance laborers and mechanics employed under this Contract in the operation of the project(s) shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Housing and Urban Development which is attached hereto and made a part hereof. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination, including any additional classifications and wage rates approved by HUD under subparagraph 1(b), shall be posted at all times by the Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.
- (b) (i) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate only when the following criteria have been met:
  - (1) The work to be performed by the classification required is not performed by a classification in the wage determination;
  - (2) The classification is utilized in the area by the industry; and
  - (3) The proposed wage rate bears a reasonable relationship to the wage rates contained in the wage determination.
- (ii) The wage rate determined pursuant to this paragraph shall be paid to all workers performing work

in the classification under this Contract from the first day on which work is performed in the classification.

#### 2. Withholding of funds

The Contracting Officer, upon his/her own action or upon request of HUD, shall withhold or cause to be withheld from the Contractor under this Contract or any other contract subject to HUD-determined wage rates, with the same prime Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the Contractor or any subcontractor the full amount of wages required by this clause. In the event of failure to pay any laborer or mechanic employed under this Contract all or part of the wages required under this Contract, the Contracting Officer or HUD may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment or advance until such violations have ceased. The Public Housing Agency or HUD may, after written notice to the Contractor, disburse such amounts withheld for and on account of the Contractor or subcontractor to the respective employees to whom they are due.

#### 3. Records

- (a) The Contractor and each subcontractor shall make and maintain for three (3) years from the completion of the work records containing the following for each laborer and mechanic:
  - (i) Name, address and Social Security Number;
  - (ii) Correct work classification or classifications;
  - (iii) Hourly rate or rates of monetary wages paid;
  - (iv) Rate or rates of any fringe benefits provided;
  - (v) Number of daily and weekly hours worked;
  - (vi) Gross wages earned;
  - (vii) Any deductions made; and
  - (viii) Actual wages paid.
- (b) The Contractor and each subcontractor shall make the records required under paragraph 3(a) available for inspection, copying, or transcription by authorized representatives of HUD or the HA and shall permit such representatives to interview employees during working hours on the job. If the Contractor or any subcontractor fails to make the required records available, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance or guarantee of funds.

#### 4. Apprentices and Trainees

- (a) Apprentices and trainees will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in:
  - (i) A bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration (ETA), Office of

Apprenticeship Training, Employer and Labor Services (OATELS), or with a state apprenticeship agency recognized by OATELS, or if a person is employed in his/her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by OATELS or a state apprenticeship agency (where appropriate) to be eligible for probationary employment as an apprentice; A

- (ii) A trainee program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, ETA; or
- (iii) A training/trainee program that has received prior approval by HUD.

- (b) Each apprentice or trainee must be paid at not less than the rate specified in the registered or approved program for the apprentice's/trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices and trainees shall be paid fringe benefits in accordance with the provisions of the registered or approved program. If the program does not specify fringe benefits, apprentices/trainees must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification.
- (c) The allowable ratio of apprentices or trainees to journeyman on the job site in any craft classification shall not be greater than the ratio permitted to the employer as to the entire work force under the approved program.
- (d) Any worker employed at an apprentice or trainee wage rate who is not registered in an approved program, and any apprentice or trainee performing work on the job site in excess of the ratio permitted under the approved program, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed.
- (e) In the event OATELS, a state apprenticeship agency recognized by OATELS or ETA, or HUD, withdraws approval of an apprenticeship or trainee program, the employer will no longer be permitted to utilize apprentices/trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

## 5. Disputes concerning labor standards

- (a) Disputes arising out of the labor standards provisions contained in Section II of this form HUD-5370-C, other than those in Paragraph 6, shall be subject to the following procedures. Disputes within the meaning of this paragraph include disputes between the Contractor (or any of its subcontractors) and the HA, or HUD, or the employees or their representatives, concerning payment of prevailing wage rates or proper classification. The procedures in this section may be initiated upon HUD's own motion, upon referral of the HA, or upon request of the Contractor or subcontractor(s).
  - (i) A Contractor and/or subcontractor or other interested party desiring reconsideration of findings of violation by the HA or HUD relating to the payment of straight-time prevailing wages or classification of work shall request such reconsideration by letter postmarked within 30 calendar days of the date of notice of findings issued by the HA or HUD. The request shall set

forth those findings that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The request shall be directed to the appropriate HA or HUD official in accordance with instructions contained in the notice of findings or, if the notice does not specify to whom a request should be made, to the Regional Labor Relations Officer (HUD). The HA or HUD official shall, within 60 days (unless otherwise indicated in the notice of findings) after receipt of a timely request for reconsideration, issue a written decision on the findings of violation. The written decision on reconsideration shall contain instructions that any appeal of the decision shall be addressed to the Regional Labor Relations Officer by letter postmarked within 30 calendar days after the date of the decision. In the event that the Regional Labor Relations Officer was the deciding official on reconsideration, the appeal shall be directed to the Director, Office of Labor Relations (HUD). Any appeal must set forth the aspects of the decision that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The Regional Labor Relations Officer shall, within 60 days (unless otherwise indicated in the decision on reconsideration) after receipt of a timely appeal, issue a written decision on the findings. A decision of the Regional Labor Relations Officer may be appealed to the Director, Office of Labor Relations, by letter postmarked within 30 days of the Regional Labor Relations Officer's decision. Any appeal to the Director must set forth the aspects of the prior decision(s) that are in dispute and the reasons. The decision of the Director, Office of Labor Relations, shall be

- (b) Disputes arising out of the labor standards provisions of paragraph 6 shall not be subject to paragraph 5(a) of this form HUD-5370C. Such disputes shall be resolved in accordance with the procedures of the U.S. Department of Labor set forth in 29 CFR Parts 5, 6 and 7. Disputes within the meaning of this paragraph 5(b) include disputes between the Contractor (or any of its subcontractors) and the HA, HUD, the U.S. Department of Labor, or the employees or their representatives.

## 6. Contract Work Hours and Safety Standards Act

The provisions of this paragraph 6 are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" includes watchmen and guards.

- (a) **Overtime requirements.** No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
- (b) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the provisions set forth in paragraph 6(a), the Contractor and any

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subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to the District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the provisions set forth in paragraph (a) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in paragraph (a) of this clause.

- (c) **Withholding for unpaid wages and liquidated damages.** HUD or its designee shall upon its own action or upon written request of an authorized representative of the U.S. Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such Contract or any federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions set forth in paragraph (b) of this clause.

## **7. Subcontracts**

The Contractor or subcontractor shall insert in any subcontracts all the provisions contained in this Section II and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the provisions contained in these clauses.

## **8. Non-Federal Prevailing Wage Rates**

Any prevailing wage rate (including basic hourly rate and any fringe benefits), determined under state law to be prevailing, with respect to any employee in any trade or position employed under the Contract, is inapplicable to the contract and shall not be enforced against the Contractor or any subcontractor, with respect to employees engaged under the contract whenever such non-Federal prevailing wage rate, exclusive of any fringe benefits, exceeds the applicable wage rate determined by the Secretary of HUD to be prevailing in the locality with respect to such trade or position.

**Exhibit C**  
**Additional General Provisions**

**Document on Following Page**

## ADDITIONAL GENERAL PROVISIONS

1. **DEFINITIONS:** The following terms shall be given the meaning shown, unless context requires otherwise or a unique meaning is otherwise specified.
  - a. **“Business Entity”** means any individual, business, partnership, joint venture, corporation, S-corporation, limited liability corporation, limited liability partnership, sole proprietorship, joint stock company, consortium, or other private legal entity recognized by statute.
  - b. **“Contractor”** means the Business Entity with whom the Housing Authority of the County of San Bernardino enters into this Agreement. Contractor shall be synonymous with “supplier”, “vendor” or other similar term.
  - c. **“Firm Price”** means the Agreement requires the delivery of products or services at a specific price, fixed at the time of the Agreement and not subject to any adjustment on the basis of Contractor's cost experience in performing under the terms of the Agreement.
  - d. **“HACSB”** means the Housing Authority of the County of San Bernardino, its employees and authorized representatives, including without limitation any department, agency, or other unit of HACSB.
  - e. **“Non-routine maintenance”** means duties or tasks that ordinarily would be performed on a regular basis in the course of upkeep of property, but have become substantial in scope because they have been put off, and involve expenditures that would otherwise materially distort the level trend of maintenance expenses. Replacement of equipment and materials rendered unsatisfactory because of normal wear and tear by items of substantially the same kind does qualify, but reconstruction, substantial improvement in the quality or kind of original equipment and materials, or remodeling that alters the nature or type of housing units does not qualify.
2. **COMPLIANCE WITH STATUTES AND REGULATIONS:** Contractor warrants and certifies that in the performance of this Agreement, it will comply with all applicable statutes, rules, regulations and orders of the United States, the State of California and HACSB and agrees to indemnify HACSB against any loss, cost, damage or liability by reason of Contractor's violation of this provision.
3. **CONTRACTOR'S POWER AND AUTHORITY:** Contractor warrants that it has full power and authority to enter into and perform its obligations under this Agreement, and will hold HACSB harmless from and against any loss, cost, liability, and expense (including reasonable attorney fees) arising out of any breach of this Agreement. Further, Contractor agrees that it will not enter into any arrangement with any third party which might abridge any rights of HACSB under this Agreement.
4. **TRANSPORTATION COSTS AND OTHER FEES OR EXPENSES:** No charge for delivery, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or for any other purpose will be paid by HACSB unless expressly included and itemized in the Agreement.
  - a. Contractor must strictly follow Agreement requirements regarding Free on Board (F.O.B.), freight terms and routing instructions. HACSB may permit use of an alternate carrier at no additional cost to HACSB with advance written authorization of HACSB.
  - b. If “prepay and add” is selected, supporting freight bills are required when over \$50, unless an exact freight charge is approved by HACSB and a waiver is granted in writing and in advance of shipping.
  - c. On "F.O.B. Shipping Point" transactions, should any shipments under the Agreement be received by HACSB in a damaged condition and any related freight loss and damage claims filed against the carrier or carriers be wholly or partially declined by the carrier or carriers with the inference that damage was the result of the act of the shipper such as inadequate packaging or loading or some inherent defect in the equipment and/or material, contractor, on request of HACSB, shall at Contractor's own expense assist HACSB in establishing carrier liability by supplying evidence that the equipment and/or material was properly constructed, manufactured, packaged, and secured to withstand normal transportation conditions.
5. **TIME IS OF THE ESSENCE:** Time is of the essence in this Agreement.
6. **DELIVERY:** Contractor shall strictly adhere to the delivery and completion schedules specified in the Agreement. Time, if stated as a number of days, shall mean calendar days unless otherwise specified. The quantities specified herein are the only quantities required. If Contractor delivers in excess of the quantities

specified herein, HACSB shall not be required to make any payment for the excess goods, and may return them to Contractor, at Contractor's expense, or utilize any other rights available to HACSB at law or in equity.

7. **SUBSTITUTIONS:** Substitution of goods may not be tendered, without advance written consent of HACSB. Contractor shall not use any specification in lieu of those contained in the Agreement, without written consent of HACSB.

8. **INSPECTION, ACCEPTANCE AND REJECTION:**

- a. Contractor and its subcontractors will provide and maintain a quality assurance system acceptable to HACSB covering goods and services under this Agreement and will tender to HACSB only those goods that have been inspected and found to conform to the requirements of this Agreement. Contractor will keep records evidencing inspections and their result, and will make these records available to HACSB during performance of the Work and for three years after final payment. Contractor shall permit HACSB to review procedures, practices, processes and related documents to determine the acceptability of Contractor's quality assurance system or other business practices related to performance of the Work.
- b. All goods may be subject to inspection and test by HACSB or its authorized representatives.
- c. Contractor and its subcontractors shall provide all reasonable facilities for the safety and convenience of inspectors at no additional cost to HACSB. Contractor shall furnish to inspectors all information and data as may be reasonably required to perform their inspection.
- d. All goods to be delivered hereunder may be subject to final inspection, test and acceptance by HACSB at destination, notwithstanding any payment or inspection at source.
- e. HACSB shall give written notice of rejection of goods delivered or services performed hereunder within a reasonable time after receipt of such goods or performance of such services. Such notice of rejection will state the respects in which the goods do not substantially conform to their specifications. If HACSB does not provide such notice of rejection within thirty (30) days, unless otherwise specified in the Statement of Work, of delivery, such goods and services will be deemed to have been accepted. Acceptance by HACSB will be final and irreversible, except as it relates to latent defects, fraud, and gross mistakes amounting to fraud. Acceptance shall not be construed to waive any warranty rights that HACSB might have at law or by express reservation in this Agreement with respect to any nonconformity.

9. **SAMPLES:**

- a. Samples of items may be required by HACSB for inspection and specification testing and must be furnished free of expense to HACSB. The samples furnished must be identical in all respects to the products bid and/or specified in the Agreement.
- b. Samples, if not destroyed by tests, may, upon request made at the time the sample is furnished, be returned at Contractor's expense.

10. **WARRANTY:** Unless otherwise specified, the warranties contained in this Agreement begin after acceptance has occurred.

- a. Contractor warrants that goods and services furnished hereunder will conform to the requirements of this Agreement (including all descriptions, specifications and drawings made a part hereof), and such goods will be merchantable, fit for their intended purposes, free from all defects in materials and workmanship and to the extent not manufactured pursuant to detailed designs furnished by HACSB, free from defects in design. HACSB's approval of designs or specifications furnished by Contractor shall not relieve Contractor of its obligations under this warranty.
- b. All warranties, including special warranties specified elsewhere herein, shall inure to HACSB, its successors, assigns, customer agencies and users of the goods or services.

11. **SAFETY AND ACCIDENT PREVENTION:** In performing the Work under this Agreement on HACSB premises, Contractor shall conform to any specific safety requirements contained in the Agreement or as required by law or regulation. Contractor shall take any additional precautions as HACSB may reasonably require for safety and accident prevention purposes. Any violation of such rules and requirements, unless promptly corrected, shall be grounds for termination of this Agreement in accordance with the default provisions hereof.

12. **ACCIDENT PREVENTION:** Precaution shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions issued by the Industrial Accident Commission of the State of California.
13. **INSURANCE:** Contractor shall not commence Work under this Agreement until all insurance required under this paragraph has been obtained and such insurance has been approved by HACSB, nor shall Contractor allow any subcontractor to commence work on a subcontract until all similar insurance required of the subcontractor has been so obtained and approved. Contractor shall furnish HACSB with satisfactory proof of the carriage of insurance required, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. Any policy of insurance required of Contractor under this Agreement shall also contain an endorsement providing that thirty (30) days' notice must be given in writing to HACSB of any pending change in the limits of liability or of any cancellation or modification of the policy. All insurance required hereunder shall be issued by a California admitted insurance carrier.

The insurance required to be carried by Contractor hereunder shall include:

- a. Compensation Insurance and Employer's Liability Insurance. Contractor shall take out and maintain during the entire term of this Agreement, Workers' Compensation Insurance and Employer's Liability Insurance for all of employees employed at the site of the project and, in case any work is sublet, Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance and Employer's Liability Insurance for all of the latter's employees unless such employees are covered by the protection afforded by Contractor.

In signing this Agreement, Contractor makes the following certification, required by Section 1861 of the Labor Code:

"I am aware of the provision of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

- b. Commercial General Liability Insurance. Contractor, at its own cost and expense, shall maintain personal injury liability and property damage insurance for the entire term of this Agreement in the amount of One Million and No/100 Dollars (\$1,000,000.00) per occurrence; HACSB listed as Additional Insured on an attached endorsement. Such coverage shall include, but shall not be limited to, protection against claims arising from, and damage to property resulting from, activities contemplated under this Agreement. Such insurance shall be with insurers and under forms of policies satisfactory in all respects to HACSB and shall provide that notice must be given to HACSB at least thirty (30) days prior to cancellation or material change. The following endorsements shall be attached to the policy:

Policy shall cover on an "occurrence" basis. Policy must cover personal injuries as well as bodily injuries. Exclusion of contractual liability must be eliminated from personal injury endorsement.

Broad form property damage endorsement must be attached. HACSB is to be named as an additional insured included on an attached endorsement for any contracts of insurance under this paragraph b. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code. The policies of insurance shall be considered primary insurance before any policies of insurance maintained by HACSB. Contractor shall be named as an additional insured with respect to such general liability insurance policy.

- c. Automobile Liability. Contractor, at its own cost and expense, shall maintain automobile insurance for the period covered by the Contract in the amount of One Million and No/100 Dollars (\$1,000,000.00) combined single limit coverage. Contractor shall be named as an additional insured with respect to such automobile liability insurance policy.
- d. Errors and Omissions Liability: \$1,000,000; combined single limit bodily and property damage liability per occurrence and \$3,000,000 aggregate or:
- e. Professional Liability: \$1,000,000; per occurrence and aggregate.

- f. Worker's Compensation. A state approved Workers Compensation and Employers Liability Insurance policy providing benefits as required by law with employer's liability limits no less than One Million and No/100 Dollars (\$1,000,000) per accident or disease, which covers all employees of the contractor and each and every contractor.
14. **FORCE MAJEURE:** Contractor shall be excused for performing the Work hereunder in the event that Contractor is unable to perform the Work for one of the following reasons:
- a. Acts of God or of the public enemy, and
  - b. Acts of the federal, state or local government in either its sovereign or contractual capacity.
- Such delay shall be for the period of time that Contractor is delayed from performing the Work as a direct result of one of the foregoing reasons. Contractor shall provide HACSB notice within three (3) days of any such force majeure event.
15. **CONTRACTOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY:**
- a. Contractor shall be liable for damages arising out of injury to the person and/or damage to the property of HACSB, employees of HACSB, persons designated by HACSB for training, or any other person(s) other than agents or employees of Contractor, designated by HACSB for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the goods either at Contractor's site or at HACSB's place of business, provided that the injury or damage was caused by the fault or negligence of Contractor.
  - b. Contractor shall not be liable for damages arising out of or caused by an alteration or an attachment not made or installed by Contractor, or for damage to alterations or attachments that may result from the normal operation and maintenance of the goods provided by Contractor during the Agreement.
16. **INVOICES:** Unless otherwise specified, invoices shall be sent to the address set forth herein. Invoices shall be submitted in triplicate and shall include the contract number; release order number (if applicable); item number; unit price, extended item price and invoice total amount. The State of California and other sales tax and/or use tax shall be itemized separately and added to each invoice as applicable.
17. **REQUIRED PAYMENT DATE:** Payment will be made in accordance with the provisions of the Agreement for work completed through the date of invoice. HACSB will pay properly submitted, undisputed invoices not more than thirty (30) days after (i) the date of acceptance of goods or performance of services; or (ii) receipt of an undisputed invoice, whichever is later.
18. **TAXES:** HACSB will only pay for any state or local sales or use taxes on the services rendered or goods supplied to HACSB pursuant to this Agreement.
19. **NEWLY MANUFACTURED GOODS:** All goods furnished under this contract shall be newly manufactured goods; used or reconditioned goods are prohibited, unless otherwise specified.
20. **NEWS RELEASES:** Unless otherwise exempted, news releases pertaining to this Agreement shall not be made without prior written approval of HACSB.
21. **PATENT, COPYRIGHT and TRADE SECRET INDEMNITY:**
- a. Contractor shall hold HACSB, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses, for infringement or use of any copyrighted or un-copyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in connection with the Agreement.
  - b. Contractor may be required to furnish a bond to HACSB against any and all loss, damage, costs, expenses, claims and liability for patent, copyright and trade secret infringement.
  - c. Contractor, at its own expense, shall defend any action brought against HACSB to the extent that such action is based upon a claim that the goods or software supplied by Contractor or the operation of such goods pursuant to a current version of Contractor supplied operating software infringes a United States patent or copyright or violates a trade secret. Contractor shall pay those costs and damages finally awarded against HACSB in any such action. Such defense and payment shall be conditioned on the following:
    - i. That Contractor shall be notified within a reasonable time in writing by HACSB of any notice of such claim; and,

- ii. That Contractor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise, provided, however, that when principles of government or public law are involved, HACSB shall have the option to participate in such action at its own expense.
- d. Should the goods or software, or the operation thereof, become, or in Contractor's opinion are likely to become, the subject of a claim of infringement of a United States patent or copyright or a trade secret, HACSB shall permit Contractor at its option and expense either to procure for HACSB the right to continue using the goods or software, or to replace or modify the same so that they become non-infringing. If none of these options can reasonably be taken, or if the use of such goods or software by HACSB shall be prevented by injunction, Contractor agrees to take back such goods or software and make every reasonable effort to assist HACSB in procuring substitute goods or software. If, in the sole opinion of HACSB, the return of such infringing goods or software makes the retention of other goods or software acquired from Contractor under this Agreement impractical, HACSB shall then have the option of terminating such Agreement, or applicable portions thereof, without penalty or termination charge. Contractor agrees to take back such goods or software and refund any sums HACSB has paid Contractor.
- e. Contractor shall have no liability to HACSB under any provision of this clause with respect to any claim of patent, copyright or trade secret infringement which is based upon:
  - i. The combination or utilization of goods furnished hereunder with equipment or devices not made or furnished by Contractor; or,
  - ii. The operation of equipment furnished by Contractor under the control of any operating software other than, or in addition to, the current version of Contractor-supplied operating software; or
  - iii. The modification by HACSB of the equipment furnished hereunder or of the software; or
  - iv. The combination or utilization of software furnished hereunder with non-Contractor supplied software.
- f. Contractor certifies that it has appropriate systems and controls in place to ensure that HACSB funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- g. The foregoing states the entire liability of Contractor to HACSB with respect to infringement of patents, copyrights or trade secrets.

## 22. STOP WORK:

- a. HACSB may, at any time, by written Stop Work order ("Stop Work Order") to Contractor, require Contractor to stop all, or any part, of the Work called for by this Agreement for a period up to ninety (90) days after the Stop Work Order is delivered to Contractor, and for any further period to which the parties may agree. The Stop Work Order shall be specifically identified as such and shall indicate it is issued under this clause. Upon receipt of the Stop Work Order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within a period of ninety (90) days after a Stop Work Order is delivered to Contractor, or within any extension of that period to which the parties shall have agreed, HACSB shall either:
  - i. Cancel the Stop Work Order; or
  - ii. Terminate the Work covered by the Stop Work Order as provided for in the termination for default or the voluntary termination provision of this Agreement.
  - iii. If a Stop Work Order issued under this clause is canceled or the period of the Stop Work Order or any extension thereof expires, Contractor shall resume work. HACSB shall make an equitable adjustment in the delivery schedule, the price, or both, and the Agreement shall be modified, in writing, accordingly, if:
    - 1. The Stop Work Order results in an increase in the time required for, or in Contractor's cost properly allocable to the performance of any part of this Agreement; and
    - 2. Contractor asserts its right to an equitable adjustment within thirty (30) days after the end of the period of work stoppage; provided that if HACSB decides the facts

justify the action, HACSB may receive and act upon a proposal submitted at any time before final payment under this Agreement.

- b. If a Stop Work Order is not canceled and the Work covered by the Stop Work Order is terminated in accordance with the provision entitled Voluntary Termination, HACSB shall allow reasonable costs resulting from the Stop Work Order in arriving at the termination settlement.
- c. HACSB shall not be liable to Contractor for loss of profits because of a Stop Work Order issued under this clause.

**23. COVENANT AGAINST GRATUITIES:** Contractor warrants that it complies with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3), and that no gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Contractor, or any agent or representative of Contractor, to any officer or employee of HACSB with a view toward securing the Agreement or securing favorable treatment with respect to any determinations concerning the performance of the Agreement. For breach or violation of this warranty, HACSB shall have the right to terminate the Agreement, either in whole or in part, and any loss or damage sustained by HACSB in procuring on the open market any items which Contractor agreed to supply shall be borne and paid for by Contractor. The rights and remedies of HACSB provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or in equity.

**24. COMPLIANCE WITH DAVIS-BACON ACT:** For construction agreements in excess of \$2,000, Contractor certifies that it complies with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR Part 3). Unless otherwise indicated in the Statement of Work, Contractors of HACSB are required, pursuant to 24 CFR 85.36(h)(5), to pay Davis-Bacon wage rates for all "construction contracts and related subcontracts in excess of \$2000," which means, for such jobs, the wage rates paid must be equal to or exceed the listed applicable Davis-Bacon wage rate. Compliance with this clause also means that Contractor may be subject to completing certain reports and to audits by HACSB and the Department of Housing and Urban Development. Such reports and information relating to compliance can be obtained at the Internet website: <http://www.gpo.gov/davisbacon/>. Contractor shall include the wage provisions of this clause in all subcontracts to perform work under this Agreement.

HACSB shall have the right to audit Contractor, at any time, in order to ensure compliance with the requirements of this Section. In connection therewith, Contractor agrees to maintain accurate books and records in connection with the Work, and all payments made or received by Contractor pursuant to this Agreement, and to provide such information to HACSB, within five (5) business days of any request by HACSB. In addition, Contractor shall provide, upon two (2) business days request, information to HACSB of each and every employee retained by Contractor in connection with the Work, and shall permit HACSB to interview any such employees, contractors or subcontractors. Contractor agrees that all maintenance laborers and mechanics employed by it in connection with the performance of the Work shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Housing and Urban Development. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that Contractor's payroll records accurately set forth the time spent in each classification in which the work is performed. The wage determination, including any additional classifications and wage rates approved by HUD shall be posted at all times by Contractor and its subcontractors at the site of the Work in a prominent and accessible place where it can be easily seen by the workers.

**25. CALIFORNIA PREVAILING WAGE (IF AGREEMENT PRICE IS LESS THAN \$2,000):** In the event the Agreement Price is less than \$2,000, Contractor agrees to comply with all prevailing rate requirements of the California Labor Code. HACSB shall have the right to audit and inspect Contractor's books and records, and interview Contractor's employees, contractors and subcontractors, all according to the same provisions set forth in Section 26 above.

**26. EQUAL EMPLOYMENT OPPORTUNITY:** For all construction agreements in excess of \$10,000, Contractor certifies its compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60).

**27. NONDISCRIMINATION CLAUSE:**

- a. During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- b. Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

**28. NATIONAL LABOR RELATIONS BOARD CERTIFICATION:** Contractor swears under penalty of perjury that no more than one final, unappealable finding of contempt of court by a federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of the National Labor Relations Board. This provision is required by, and shall be construed in accordance with, Public Contract Code Section 10296.

**29. DRUG-FREE WORKPLACE CERTIFICATION:** Contractor certifies under penalty of perjury under the laws of the State of California that Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).
- b. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:
  - i. the dangers of drug abuse in the workplace;
  - ii. the person's or organization's policy of maintaining a drug-free workplace;
  - iii. any available counseling, rehabilitation and employee assistance programs; and,
  - iv. penalties that may be imposed upon employees for drug abuse violations.
- c. Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed or resulting agreement:
  - i. will receive a copy of the company's drug-free policy statement; and,
  - ii. will agree to abide by the terms of the company's statement as a condition of employment on the agreement.

**30. RECYCLING:** Contractor shall certify in writing under penalty of perjury, compliance with Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to HACSB regardless of whether the product meets the requirements of Section 12209.

**31. COMPLIANCE WITH CONTRACT WORK HOURS AND SAFETY STANDARDS ACT:** For agreements in excess of \$2,000, and in excess of \$2500 for other agreements which involve the employment of mechanics or laborers, Contractor certifies that it complies with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5).

**32. CHILD SUPPORT COMPLIANCE ACT:** For any contract in excess of \$100,000, Contractor acknowledges in accordance with Public Contract Code Section 7110, that:

- a. Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable State of California and Federal laws relating to child and family support

enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and

- b. Contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- 33. **ELECTRONIC WASTE RECYCLING ACT OF 2003:** Contractor certifies that it complies with the requirements of the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of Division 30, commencing with Section 42460 of the Public Resources Code, relating to hazardous and solid waste. Contractor shall maintain documentation and provide reasonable access to its records and documents that evidence compliance.
  - 34. **ENVIRONMENTAL REGULATIONS:** For agreements in excess of \$100,000, Contractor certifies that it complies with the requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (3 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 C.F.R. part 15).
  - 35. **USE TAX COLLECTION:** In accordance with PCC Section 10295.1, Contractor certifies that it complies with the requirements of Section 7101 of the Revenue and Taxation Code. Contractor further certifies that it will immediately advise HACSB of any change in its retailer's seller's permit or certification of registration or applicable affiliate's seller's permit or certificate of registration as described in subdivision (a) of PCC Section 10295.1.
  - 36. **DOMESTIC PARTNERS:** For agreements over \$100,000 executed or amended after January 1, 2007, Contractor certifies that Contractor is in compliance with Public Contract Code Section 10295.3.

## **Exhibit D**

### **Work Authorization**

**Schedule Dates:**

Start Date: February 25, 2024

Completion Date: February 24, 2026

**Total Contract Cost: \$320,000 per Fee Schedule Located in Exhibit A**

Schedule Requirements – Statement of Work (“Exhibit A”)

General Conditions for Non-construction work (“Exhibit B”)

Additional General Provisions (“Exhibit C”)

Work Authorization (“Exhibit D”)

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

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

**Contract amendment with Intergraded Security Management Group for Armed Guard Services**

## **RECOMMENDATION(S)**

1. Approve Amendment No. 8 to contract No. PC1203, effective February 29, 2024, with Intergraded Security Management Group for Armed Guard Services increasing the current contract by \$105,000 for a total amount not to exceed \$578,536.00 through February 28, 2025.
2. Authorize and direct the Executive Director to execute and deliver the contract amendment to ISMG and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.

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

## **STRATEGIC PLAN ALIGNMENT:**

**Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.**

## **FINANCIAL IMPACT**

Approval of this amendment will increase the current contract amount by \$105,000 for a total contract amount not to exceed \$578,536, which is funded by the Housing Authority of the County of San Bernardino's (HACSB) property operations budget.

## **BACKGROUND INFORMATION**

HACSB currently contracts with Intergraded Security Management Group (ISMG) for armed security guard services at some of its properties. These services are generally needed at low density and high acreage scattered sites, primarily for the overnight and weekend hours in the cities of San Bernardino and Victorville. Security services primarily include routine patrols with a marked patrol vehicle and armed guards who patrol by foot at random and rotating times of the day and night. The services provided are crime prevention and reporting, lease enforcement, vacant unit checks and general site monitoring. These services have been in place for several years and the approval of this item will continue the existing scope of services.

On February 9, 2021, HACSB's Board of Commissioners (Board) awarded contract PC1203 with ISMG for Armed Guard Services for an initial contract amount of \$327,551 with a two-year base period through February 28, 2023, with three single-year options to extend through February 28, 2026.

On December 13, 2022, the Board approved Amendment No. 5 with ISMG, increasing to the contract in the amount of \$115,005 for an overall contract amount of \$444,256 through February 28, 2024.

### **PROCUREMENT**

The Procurement and Contracts Department previously advertised a "Request for Proposal" (RFP) for Armed Guard Services (RFP PC1203) on November 17, 2020. This resulted in the receipt of ten proposals. Outreach efforts included email invitations via Planet Bids to eleven vendors as well as posting on the agency's external website. The proposals were evaluated per the requirements of the RFP. ISMG was deemed the most responsive, reasonably priced, and determined qualified to provide this service to HACSB.

Based on the responses for these services, that were solicited to an adequate number of sources and in accordance with Title 2 Code of Federal Regulations Part 200, staff recommended awarding a contract for Armed Guard Services to ISMG and authorize and direct the Executive Director to execute and deliver the contract and, upon consultation with Legal Counsel to approve any non-substantive revisions to complete the transaction.

### **REVIEW BY OTHERS**

This item has been reviewed by our General Legal Counsel, Fred Galante, On January 29, 2024.



**AMENDMENT #8 TO CONTRACT FOR ARMED GUARD SERVICES  
(PC1203)**

**BETWEEN**

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

**And**

**INTERGRADED SECURITY MANAGEMENT GROUP (ISMG)**

This Amendment No. 8 (“Eighth Amendment”), dated February 29, 2024 (“Effective Date”), to Agreement for Armed Guard Services (PC1203), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, (“Authority”) and Intergraded Security Management Group (ISMG), a California Non-Profit Organization (“Contractor”).

**RECITALS**

**WHEREAS**, the Authority and Contractor entered into that certain Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated March 1, 2021, relating to Armed Guard Services (“Agreement”) with a total price of \$327,551.00;

**WHEREAS**, the Authority and Contractor entered into Amendment Number One to the Agreement, dated April 23, 2021, to delete the property of: 1470 E. Lynwood San Bernardino, CA 92404 from the scope of work.

**WHEREAS**, the Authority and Contractor entered into Amendment Number Two to the Agreement, dated May 21, 2021, to temporarily change service locations due to safety issue of onsite manager.

**WHEREAS**, the Authority and Contractor entered into Amendment Number Three to the Agreement to delete the property of Waterman Gardens (Arrowhead Grove site): 425 Crestview San Bernardino, CA 92410 – vacant lots, maintenance yard in the North East corner of the Arrowhead Grove site, the two legacy HACSB buildings located at Crestview, and the Head Start buildings only. Other areas per the executed contract remained on the scope of work.

**WHEREAS**, the Authority and Contractor entered into Amendment Number Four to the Agreement to delete the property of Andalusia Apartments: 13520 Third Ave. Victorville, CA 92395. Other areas per the executed contract remained on the scope of work.

**WHEREAS**, the Authority and Contractor entered into this Amendment Number Five to the Agreement to exercise the first option year through February 29, 2024 and increasing the contract by \$115,005.00 for a total amount not to exceed \$444,256.00.

**WHEREAS**, the Authority and Contractor entered into Amendment Number Six to the Agreement to delete the scattered sites property at 4181 N. E Street (6 units) in San Bernardino, CA 92407. Other areas per the executed contract remain on the scope of work.

**WHEREAS**, the Authority and Contractor entered into Amendment Number Seven to the Agreement to add additional security patrols for the Maplewood property of 64 hours per week from 6/30/2023-9/3/2023 – 10 weekends at \$2,928.00 per week (\$45.75 per hour).

**WHEREAS**, the Authority and Contractor now wish to enter into this Amendment Number Eight to the Agreement to exercise the second option year through February 28, 2025 and increasing the contract by \$105,000.00 for a total amount no to exceed \$578,536.00

## **OPERATIVE PROVISIONS**

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

**Section 1.** Article 3 of the Agreement is hereby amended to extend the term for an additional one (1) additional year and expiring on February 28, 2025. Except as so amended, the other provisions of Article 3 shall remain unmodified and in full force and effect.

**Section 2.** Article 4 of the Agreement, entitled “Price” is hereby amended to increase the compensation payable to Contractor for the provision of the Work for the total not-to-exceed sum as shown in the Total Agreement Cost set forth on Exhibit “A-1. Except as so amended, the other provisions of Article 4 shall remain unmodified and in full force and effect.

**Section 3.** Continuing Effect of Agreement. Except as amended by this Eighth Agreement, all provisions of the Agreement, as amended, shall remain unchanged and in full force and effect. From and after the date of this Eighth Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by this Eighth Amendment.

**Section 4.** Affirmation of Agreement; Warranty Re Absence of Defaults. Authority and Consultant each ratify and reaffirm each one of the respective rights and obligations arising under the Agreement, as amended. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than by way of this Eighth Amendment as provided herein. Each party represents and warrants to the other that the Agreement, as amended by this Eighth Amendment, is currently an effective, valid, and binding obligation.

Consultant represents and warrants to Authority that, as of the date of this Eighth Amendment, Authority is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

Authority represents and warrants to Consultant that, as of the date of this Eighth Amendment, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

**Section 5.** Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Eighth Amendment.

**Section 6.** Authorization. The persons executing this Eighth Amendment on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Eighth Amendment, such party is formally bound to the provisions of this Eighth Amendment, and (iv) the entering into this Eighth Amendment does not violate any provision of any other agreement to which said party is bound.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and Intergraded Security Management Group (ISMG) hereby execute this Eighth amendment.

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**INTERGRADED SECURITY MANAGEMENT  
GROUP (ISMG)**

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

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

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

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

Name: Maria Razo

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

Title: Executive Director

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

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

## Exhibit A-1

### Schedule Dates:

Effective Date: February 29, 2024

Completion Date: February 28, 2025

**Total Agreement Cost: Not to exceed \$578,536.00**

<b>Original Agreement Amount Not to Exceed</b>	<b>\$327,551.00</b>
<b>Net Change Orders Previously Approved</b>	<b>\$0.00</b>
<b>Net Change Order Previously Approved – Amendment #1</b>	<b>\$0.00</b>
<b>Net Change Order Previously Approved – Amendment #2</b>	<b>\$1,700.00</b>
<b>Net Change Order - Previously Approved – Amendment #3</b>	<b>\$0.00</b>
<b>Net Change Order - Previously Approved – Amendment #4</b>	<b>\$0.00</b>
<b>Net Change Order – Previously Approved - Amendment #5</b>	<b>\$115,005.00</b>
<b>Net Change Order – Previously Approved - Amendment #6</b>	<b>\$0.00</b>
<b>Net Change Order – Previously Approved - Amendment #7</b>	<b>\$29,280.00</b>
<b>Net Change Order – Amendment #8</b>	<b>\$105,000.00</b>
<b>Agreement Value as Amended Not to Exceed</b>	<b>\$578,536.00</b>

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

February 13, 2024

**FROM**

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

**SUBJECT**

Meeting Minutes for Meeting Held on January 9, 2024

**RECOMMENDATION(S)**

Approve the meeting minutes for the regular meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on January 9, 2024.

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

**STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #2: To be known as a trusted provider of safe, dignified, and desirable homes and environments that enrich and add value to the community.**

**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

**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) Meeting took place on January 9, 2024, and attached are the meeting minutes for review and recommended approval by the Board.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on, February 5, 2024.

**MINUTES OF THE ANNUAL MEETING OF THE BOARD OF COMMISSIONERS OF  
THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO  
JANUARY 9, 2024**

The Board of Commissioners of the Housing Authority of the County of San Bernardino met in an annual meeting at the Administration Office, at 715 East Brier Drive, San Bernardino, California at 3:07 p.m. on January 9, 2024.

Details of the meeting discussion can be obtained through the recording of the Board of Commissioners meeting through a Public Records Request submitted in person or through the HACSB website: <https://hacsb.com/public-records-request/>

**1) Call to Order and Roll Call**

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

Chair Johnson  
Vice-Chair Cooper  
Commissioner Avila  
Commissioner Tarango  
Commissioner Kim

Sylvia Miller and Cassie MacDuff attended the board meeting as part of the public due to reappointment delays.

Also in attendance were Maria Razo, Executive Director; Rishad Mitha, Deputy Executive Director; Nicole Beydler, Director of Policy and Public Relations; Renee Kangas, Sr. Management Analyst; Jesse Diaz, Director of Business Services; Angie Lardapide, Procurement and Contracts Supervisor; George Silva, Family Empowerment Services Manager; John Moore, Director of Development; Tony Chen, Project Manager; Justin Post, Management Analyst; Jobanna Castro, Housing Services Manager; Jennifer Dawson, Director of Administrative Services; and Claudia Hurtado, Executive Assistant.

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

**2) Additions or Deletions to the Agenda**

Chair Johnson called for additions or deletions to the January 9, 2024 agenda. It was requested for board agenda item number 13, to approve and file Agency-wide Financial Statements through September 2023 to be tabled to the February 13, 2024 board meeting.

**3) General Public Comment**

Chair Johnson provided an opportunity for members of the public and address the Board of Commissioners. Cassie MacDuff commented on AB653 and noticed that HUD had not yet weighed in on the issue. Ms. MacDuff recommended reaching out to HUD or the State Secretary to get the conversation started.

#### **4) Selection of Chair and Vice-Chair**

The selection of Chair and Vice-Chair was requested.

Executive Director Razo explained the item.

Discussion amongst the Board of Commissioners took place regarding the selection of Chair and Vice-Chair.

Commissioner Tarango moved to table discussion calendar item number 4, to be presented to the Board of Commissioner at the February 13, 2024, board meeting and Commissioner Tarango seconded the motion.

Upon roll call, the Ayes and Nays were as follows:

Ayes

Chair Johnson

Vice-Chair Cooper

Commissioner Avilla

Commissioner Tarango

Commissioner Kim

Nays

#### **5) Executive Director's Report**

The Executive Director's Report was requested.

Executive Director Razo gave the Executive Director's Report.

Discussion amongst the Board of Commissioners took place regarding the Executive Director's Report for January 9, 2024.

#### **6) Resolution No. 186 Revision of the Administrative Plan**

Discussion calendar item number 6, to adopt Resolution No. 186 approving revisions to the Administrative Plan governing the Housing Authority of the County of San Bernardino's rental assistance programs, was requested.

Executive Director Razo explained the item.

Discussion amongst the Board of Commissioners took place regarding discussion calendar item number 6.

Commissioner Avila moved to approve discussion calendar item number 6, as recommended by staff and Commissioner Tarango seconded the motion.

Upon roll call, the Ayes and Nays were as follows:

Ayes

Chair Johnson

Vice-Chair Cooper

Commissioner Avila

Commissioner Tarango

Commissioner Kim

Nays

**7) Contract Amendment No. 3 to contract No. PC1180 with Aleshire & Wynder LLP for General Legal Counsel Services**

Discussion calendar item number 7, to 1) approve contract amendment No. 3 to contract No. PC1180, effective December 13, 2023, with Aleshire & Wynder LLP for General Legal Counsel Services increasing the current contract by \$90,000 for a total amount not to exceed \$651,000 through December 8, 2024, with the option to extend up to one single-year option through December 8, 2025, 2) Authorize and direct the Executive Director to execute and deliver the contract amendment to Aleshire & Wynder LLP and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction, was requested.

Executive Director Razo explained the item.

Commissioner Cooper moved to approve discussion calendar item number 7, as recommended by staff and Commissioner Avila seconded the motion.

Upon roll call, the Ayes and Nays were as follows:

Ayes

Chair Johnson

Vice-Chair Cooper

Commissioner Tarango

Commissioner Avila

Commissioner Kim

Nays

**8) Resolution No. 187 Delegation of Deputy Executive Director**

Discussion calendar item number 8, to adopt Resolution No. 187 authorizing delegation of Expenditure and Contracting Authority to the Housing Authority of the County of San Bernardino's Deputy Executive Director when the Executive Director is unavailable to perform such duties, was requested.

Executive Director Razo explained the item.

Discussion amongst the Board of Commissioners took place regarding discussion calendar item number 8.

Commissioner Tarango moved to approve discussion calendar item number 8, as recommended by staff, and Commissioner Cooper duly seconded the motion.

Upon roll call, the Ayes and Nays were as follows:

Ayes

Chair Johnson  
Vice-Chair Cooper  
Commissioner Tarango  
Commissioner Avila  
Commissioner Kim

Nays

**9) Approve Amendments to Contract No. PC1152 Agency-Wide Landscaping Services**

Discussion calendar item number 9, to 1) Approve Amendments to Contract No. PC1152, effective January 9, 2024, for agency-wide landscaping services to Advanced Environmental Landscape Corp. increasing the current amount by \$61,481.76 for a total contract amount not to exceed \$1,198,934.86, and to Priority Landscape Services LLC, increasing the current amount by \$30,794.24 for a total contract amount not to exceed \$748,015.31 for an aggregate total amount not to exceed \$1,946,950.17 through April 30, 2024, 2) Authorize and direct the Executive Director to execute and deliver the contract amendments to Advance Environmental Landscape Corp. and Priority Landscape Services LLC and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction, was requested.

Executive Director Razo explained the item.

Commissioner Avila moved to approve discussion calendar item number 9, as recommended by staff, and Commissioner Cooper duly seconded the motion.

Upon roll call, the Ayes and Nays were as follows:

Ayes

Chair Johnson  
Vice-Chair Cooper  
Commissioner Tarango  
Commissioner Avila  
Commissioner Kim

Nays

**10) Contract No. PC1280 Agency-Wide On-Call Tree Trimming Services**

Discussion calendar item number 10, to approve an increase to contract No. PC1280, effective January 10, 2024, for agency-wide on-call tree trimming services with West Coast Arborist, Inc., Tree Pros, Inc., and Mariposa Landscape, Inc. in the amount of \$500,000 for an overall amount not to exceed \$750,000 through August 9, 2025, was requested.

Executive Director Razo explained the item.

Commissioner Avila moved to approve discussion calendar item number 10, as recommended by staff, and Commissioner Tarango duly seconded the motion.

Upon roll call, the Ayes and Nays were as follows:

Ayes

Chair Johnson  
Vice-Chair Cooper  
Commissioner Tarango  
Commissioner Avila  
Commissioner Kim

Nays

**11, 12, 14, and 15) Consent Calendar**

Approval of the consent calendar including agenda item numbers 11-15 was requested.

Commissioner Cooper moved to approve consent calendar agenda item numbers 11-15, with board agenda item number 13 to be pulled and presented to the Board of Commissioners at the February 13, 2024, Board of Commissioners meeting.

11) Approve the meeting minutes for the regular meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on November 14, 2023.

12) Approve and file Agency-wide Financial Statements through August 2023.

14) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of September 2023

15) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of October 2023.

The motion was duly seconded by Commissioner Avila and upon roll call, the Ayes and Nays were as follows:

Ayes

Chair Johnson  
Vice-Chair Cooper  
Commissioner Tarango  
Commissioner Avila  
Commissioner Kim

Nays

Chair Johnson provided an opportunity for individual board member comments. Commissioner Avila thanked the team and wished everyone a Happy New Year.

There being no other business, Commissioner Tarango moved for the annual meeting of Tuesday, January 9, 2024, to be adjourned, and which motion was duly seconded by Commissioner Avila. There being no objection to the call for adjournment, the meeting was adjourned by unanimous consent at 3:52 p.m.

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Tim Johnson, Chair

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Beau Cooper, Vice Chair

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Bobby Tarango

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David Avila

Minutes of the Annual Meeting of the Board of Commissioners of the Housing Authority of the  
County of San Bernardino for January 9, 2024

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Sungman Kim

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**

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

**Agency-wide Financial Statements through September 2023**

## **RECOMMENDATION(S)**

Approve and file Agency-wide Financial Statements through September 2023.  
(Presenter: Maria Razo, Executive Director, 332-6305)

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

## **FINANCIAL IMPACT**

The Housing Authority of the County of San Bernardino's (HACSB) year-to-date agency-wide net loss through September 2023 for Federal Fiscal Year (FFY) 2022-23 is (\$13,781,957). The net loss is currently higher than the budgeted net loss of (\$437,902) with a variance of \$13,344,055.

The \$13,344,055 variance between the budgeted and the actual net income is due to the variance of gains and losses to the budget such as:

- Depreciation expenses, development dispositions, and gains on disposition of fixed assets are not budgeted and amount to \$12.2 million through September 2023. Of the \$12.2 million, \$8.6 million is due to development disposition. This amount represents pre-development costs on various projects. The pre-development costs were funded from Capital Fund Program funding received in prior years for the public housing program; therefore, recorded as revenue in prior years.
- The Housing Choice Voucher Program (HCV) experienced a reduction in net income of \$9.7 million when compared to the budgeted amounts. This was due to the following items:
  - In May 2023, HUD performed the Housing Assistance Payment reconciliation for calendar year 2022 and HACSB received \$4.2 million. This cash is for prior year expenses and was not budgeted in the current fiscal year.
  - An increase in Housing Assistance Payments in the amount of \$23.5 million. This was mainly due to rising rents which increases the per unit costs. Additionally, the lease rate increased due to an increase in the number of voucher holders who have successfully leased-up with vouchers. Unlike the funding in the HCV program, the Housing Assistance Payments are not budgeted at a 100% lease rate. It is budgeted based on an estimated lease rate for the year, estimated available funding per federally approved appropriations and on approved use of HAP HUD held reserves. This gap will be funded by restricted HAP HUD held reserves as budgeted.

- \$9.6 million more in funding received from HUD. The monthly amount HACSB receives is based on Housing Assistance Payment (HAP) expenses in prior months and not based on the current month's HAP expense. This will cause a discrepancy between the current month's lease rate and the lease rate used to fund HACSB monthly. A reconciliation between the amount funded and the actual HAP expenses is performed at year-end by both the U.S. Department of Housing and Urban Development (HUD) and HACSB. The difference between the authorized funding amount and actual funding received is deposited into a restricted HAP HUD Held Reserve (HHR) account which can be used for future eligible expenses, with HUD's approval.
- Through September 2023, HACSB recognized \$1 million in Public Housing Capital Fund income. This was not budgeted in the current year and this program is no longer active as a result of our transition through HUD's Rental Assistance Demonstration program.
- There is a decrease in tenant services expenses in the amount of \$6.3 million, largely due to housing navigation services. \$11.3 million was budgeted for this service; however, only contracted for \$6.5 million of this amount. The navigation services took some time to implement due to client outreach. In addition, HACSB adjusted its leasing goals downward to meet funding levels. As a result, this resulted in lower expenses.
- Other items contributing to the variance include an increase in other income of \$2.8 million. This is due to increases in residual receipts, developer's fees, refunds of property taxes, and interest income. There was also an increase of \$2.5 million in tenant income.
- HACSB's CalWORKs Housing Support Program (HSP) grant has increased and is reflecting \$2.8 million expenses over the budgeted amount. The income related to this program has increased to offset the increase in expenses.

The information provided is based on unaudited information. During the audit process, revenues and expenses are typically adjusted and we expect a material amount of expenses related to the pension and Other Post Employment Benefit (OPEB) plans to be recognized during this process. This will lead to a decrease in the operating net income. The audited financial report will be provided to the Board once the audit process has been completed. The audit process will be completed in late June 2024 for the prior fiscal year which is when the audited financial statements are submitted to HUD.

<b>Financial Summary</b>	<b>FY 2023 YTD</b>
Revenues	\$ 206,766,983
Expenses	\$(208,344,937)
Operating Net Income/(Loss)	\$ (1,577,953)
Operating Transfers/Non-Operating Items	\$(12,204,004)
<b>Net Income/(Loss)</b>	<b>\$ (13,781,957)</b>

### **BACKGROUND INFORMATION**

HACSB administers multiple housing programs and is the largest provider of affordable housing in the County of San Bernardino. The FFY 2022-23 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 delays in federal appropriations.

Despite ongoing challenges, we continue to focus on maintaining the agency's fiscal stability, customer service, innovation, best practices, enhancing partnerships that will assist our staff and families, and with 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 December 28, 2023.

## HACSB Budget Comparison

Period = Oct 2022-Sep 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
INCOME					
TENANT INCOME					
Total Rental Income	30,498,060	28,326,881	2,171,179	7.66	28,326,881
Total Other Tenant Income	824,970	533,968	291,002	54.50	533,968
NET TENANT INCOME	31,323,030	28,860,849	2,462,181	8.53	28,860,849
GRANT INCOME					
TOTAL GRANT INCOME	166,010,996	146,936,780	19,074,216	12.98	146,936,780
OTHER INCOME					
TOTAL OTHER INCOME	9,432,957	6,664,147	2,768,810	41.55	6,664,147
TOTAL INCOME	206,766,983	182,461,776	24,305,207	13.32	182,461,776
EXPENSES					
GRANT EXPENSES					
TOTAL GRANT EXPENSES	11,019,959	8,214,219	-2,805,740	-34.16	8,214,219
ADMINISTRATIVE					
Total Administrative Salaries	15,104,482	16,054,336	949,853	5.92	16,054,336
Total Legal Expense	461,274	585,444	124,169	21.21	585,444
Total Other Admin Expenses	8,256,582	7,631,528	-625,054	-8.19	7,631,528
Total Miscellaneous Admin Expenses	2,629,380	2,732,339	102,959	3.77	2,732,339
TOTAL ADMINISTRATIVE EXPENSES	26,451,719	27,003,647	551,928	2.04	27,003,647
TENANT SERVICES					
TOTAL TENANT SERVICES EXPENSES	6,678,399	12,927,890	6,249,491	48.34	12,927,890
UTILITIES					
TOTAL UTILITY EXPENSES	4,233,423	4,071,006	-162,417	-3.99	4,071,006
MAINTENANCE AND OPERATIONS					
Total General Maint Expense	3,818,463	3,088,481	-729,982	-23.64	3,088,481
Total Materials	1,181,682	897,267	-284,415	-31.70	897,267
Total Contract Costs	5,394,182	3,656,124	-1,738,058	-47.54	3,656,124
TOTAL MAINTENANCE EXPENSES	10,394,326	7,641,871	-2,752,455	-36.02	7,641,871
GENERAL EXPENSES					
TOTAL GENERAL EXPENSES	2,558,192	1,456,368	-1,101,824	-75.66	1,456,368
EXTRAORDINARY MAINTENANCE EXPENSES					
TOTAL EXTRAORDINARY MAINTENANCE EXPENSES	5,572,075	4,169,817	-1,402,258	-33.63	4,169,817
HOUSING ASSISTANCE PAYMENTS					
TOTAL HOUSING ASSISTANCE PAYMENTS	139,551,735	116,014,147	-23,537,588	-20.29	116,014,147
FINANCING EXPENSE					
TOTAL FINANCING EXPENSES	1,885,107	1,400,713	-484,395	-34.58	1,400,713
TOTAL OPERATING EXPENSES	208,344,937	182,899,678	-25,445,259	-13.91	182,899,678
<b>OPERATING NET INCOME</b>	<b>-1,577,953</b>	<b>-437,902</b>	<b>-1,140,052</b>	<b>-260.34</b>	<b>-437,902</b>
NET OPERATING TRANSFER IN/OUT	0	0	0	N/A	0
NON-OPERATING ITEMS					
TOTAL NON-OPERATING ITEMS	12,204,004	0	-12,204,004	N/A	0
NET INCOME	-13,781,957	-437,902	-13,344,055	-3,047.27	-437,902

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

**February 13, 2024**

## **FROM**

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

## **SUBJECT**

**Agency-wide Financial Statements through October 2023**

## **RECOMMENDATION(S)**

Approve and file Agency-wide Financial Statements through October 2023.  
(Presenter: Maria Razo, Executive Director, 332-6305)

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

## **FINANCIAL IMPACT**

The Housing Authority of the County of San Bernardino's (HACSB) year-to-date agency-wide net loss through October 2023 for Federal Fiscal Year (FFY) 2023-24 is (\$233,963). The net loss is currently lower than the budgeted net loss of (\$941,014) with a variance of \$707,051.

The \$707,051 variance between the budgeted and the actual net income is due to the variance of gains and losses to the budget, such as:

- Depreciation expenses are not budgeted and amount to \$450,000.
- The Housing Choice Voucher Program (HCV) experienced a reduction in net income of \$470,000 when compared to the budgeted amounts. This was due to the following items:
  - An increase in Housing Assistance Payments in the amount of \$500,000. This was mainly due to rising rents which increases the per unit costs. Additionally, the lease rate increased due to an increase in the number of voucher holders who have successfully leased-up with vouchers. Unlike the funding in the HCV program, the Housing Assistance Payments are not budgeted at a 100% lease rate. It is budgeted based on an estimated lease rate for the year, estimated available funding per federally approved appropriations, and on approved use of restricted HAP HUD held reserves.
  - \$30,000 more in funding received from HUD. The monthly amount HACSB receives is based on Housing Assistance Payment (HAP) expenses in prior months and not based on the current month's HAP expense. This will cause a discrepancy between the current month's lease rate and the lease rate used to fund HACSB monthly. A reconciliation between the amount funded and the actual HAP expenses is performed at year-end by both the U.S. Department of Housing and Urban Development (HUD) and HACSB. The difference between the authorized funding amount and actual funding received is deposited into a

restricted HUD Held Reserve (HHR) account which can be used for future eligible expenses, with HUD's approval.

- There is a decrease in tenant services expenses in the amount of \$400,000. This is budgeted evenly for the fiscal year, but the level of services provided can vary from month to month. We expect the total expenses at year end to be materially the same as the budgeted amount.
- Physical needs work is budgeted evenly throughout the fiscal year, but the actual work performed can vary. This has reflected a lower-than-expected expense when compared to the budgeted amount since this report only accounts for one month of the fiscal year. The amount of variance is \$(600,000). This is reflected in the extraordinary maintenance expenses line. Examples of extraordinary maintenance expenses budgeted include asphalt repairs, concrete repairs, roofing work, and exterior painting. We expect that the actual expense at year end will be closer to the budgeted amount.
- Lower than anticipated costs in administrative and maintenance expenses in the amount of \$400,000 primarily due to lower than anticipated consulting and professional fees, computer hardware not purchased as well as lower administrative salary expenses due to vacant positions. Since this report only accounts for one month of the fiscal year these expenses will be incurred later in the year.
- There was an increase of \$230,000 in tenant income and other income. Most of the increase was due to an increase in rental income of approximately \$140,000 and an increase of \$50,000 in other tenant income. The increase in rental income is due to accruals that are recorded in the beginning of the fiscal year for accounting purposes. These adjustments will offset with adjustments throughout the year and we expect that the actual rent income should be closer to the budgeted amount.

The information provided is based on unaudited information. During the audit process, revenue and expenses are typically adjusted and we expect a material amount of expenses related to the pension and Other Post Employment Benefit (OPEB) plans to be recognized during this process. This will lead to a decrease in the operating net income. The audited financial report will be provided to the Board once the audit process has been completed. The audit process will be completed in late June 2025 for the prior fiscal year which is when the audited financial statements are submitted to HUD.

<b>Financial Summary</b>	<b>FY 2024 YTD</b>
Revenues	\$17,148,726
Expenses	\$(16,963,588)
Operating Net Income/(Loss)	\$185,138
Operating Transfers/Non-Operating Items	\$(419,101)
<b>Net Income/(Loss)</b>	<b>\$ (233,963)</b>

### **BACKGROUND INFORMATION**

HACSB administers multiple housing programs and is the largest provider of affordable housing in the County of San Bernardino. The FFY 2024-25 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 delays in the federal budget process.

Despite ongoing challenges such as the lack of a congressionally approved funding allocation, we continue to focus on maintaining the agency's fiscal stability, customer service, innovation, best practices, partnerships that will assist our staff and families, and show 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, January 29, 2024.

## HACSB Budget Comparison

Period = Oct 2023

	YTD Actual	YTD Budget	Variance	% Var	Annual
INCOME					
TENANT INCOME					
Total Rental Income	2,674,741	2,535,841	138,899	5.48	30,869,944
Total Other Tenant Income	89,388	43,126	46,261	107.27	511,667
NET TENANT INCOME	2,764,128	2,578,967	185,161	7.18	31,381,611
GRANT INCOME					
TOTAL GRANT INCOME	13,794,100	14,659,837	-865,737	-5.91	175,926,069
OTHER INCOME					
TOTAL OTHER INCOME	590,497	552,612	37,886	6.86	7,780,646
TOTAL INCOME	17,148,726	17,791,416	-642,691	-3.61	215,088,326
EXPENSES					
GRANT EXPENSES					
TOTAL GRANT EXPENSES	0	881,287	881,287	100.00	10,575,443
ADMINISTRATIVE					
Total Administrative Salaries	906,021	961,248	55,227	5.75	17,230,491
Total Legal Expense	24,484	47,175	22,691	48.10	564,845
Total Other Admin Expenses	546,370	689,590	143,220	20.77	8,080,900
Total Miscellaneous Admin Expenses	174,925	357,335	182,410	51.05	2,960,662
TOTAL ADMINISTRATIVE EXPENSES	1,651,799	2,055,348	403,549	19.63	28,836,897
TENANT SERVICES					
TOTAL TENANT SERVICES EXPENSES	129,551	492,047	362,496	73.67	2,459,644
UTILITIES					
TOTAL UTILITY EXPENSES	228,886	377,459	148,573	39.36	4,514,366
MAINTENANCE AND OPERATIONS					
Total General Maint Expense	220,850	230,883	10,032	4.35	3,535,851
Total Materials	136,239	76,452	-59,787	-78.20	916,270
Total Contract Costs	267,818	300,412	32,594	10.85	3,590,795
TOTAL MAINTENANCE EXPENSES	624,907	607,747	-17,160	-2.82	8,042,916
GENERAL EXPENSES					
TOTAL GENERAL EXPENSES	267,646	151,794	-115,851	-76.32	1,692,963
EXTRAORDINARY MAINTENANCE EXPENSES					
TOTAL EXTRAORDINARY MAINTENANCE EXPENSES	221,054	821,231	600,177	73.08	5,623,953
HOUSING ASSISTANCE PAYMENTS					
TOTAL HOUSING ASSISTANCE PAYMENTS	13,678,455	13,184,190	-494,265	-3.75	158,210,278
FINANCING EXPENSE					
TOTAL FINANCING EXPENSES	161,290	161,328	38	0.02	1,944,793
TOTAL OPERATING EXPENSES	16,963,588	18,732,430	1,768,842	9.44	221,901,253
<b>OPERATING NET INCOME</b>	<b>185,138</b>	<b>-941,014</b>	<b>1,126,152</b>	<b>119.67</b>	<b>-6,812,927</b>
NET OPERATING TRANSFER IN/OUT	0	0	0	N/A	0
NON-OPERATING ITEMS					
TOTAL NON-OPERATING ITEMS	419,101	0	-419,101	N/A	0
NET INCOME	-233,963	-941,014	707,051	75.14	-6,812,927

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

**February 13, 2024**

## **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 of November 2023

## **RECOMMENDATION(S)**

Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of November 2023.

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

## **STRATEGIC PLAN ALIGNMENT**

**Aspirational Statement #3: To pursue continued financial stability, monitoring, and accountability as stewards of limited funding.**

## **FINANCIAL IMPACT**

The accounts receivable loss for the month ending November 30, 2023, is \$101,298.93. The Housing Authority of the County of San Bernardino (HACSB) projects and anticipates collection losses in its annual budget.

## **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. 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 include public housing developments converted through the United States Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program.

Despite HACSB's efforts to collect the debts listed in the attached reports, it has been determined that such debts are uncollectible. 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. Losses during this time are primarily for voluntary move-outs and evictions. The total write-off for the month of November 30, 2023, is \$101,298.93, 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 of November 2023  
February 13, 2024

**SUMMARY FOR HACSB- Authority Owned Properties**

<b>PROPERTY</b>	<b>NO. VACATED</b>	<b>TOTAL</b>
481130 - Maplewood	5	16,945.00
481131- Maplewood Scattered	1	111.00
481170- 7th Street	1	3,131.00
481172- Bighorn	0	-
403 - Summit Walk	4	24,226.33
407 - Sunset Pointe	1	-
408 - Sunrise Vista	3	4,477.35
409 - Andalusia	2	3,203.72
417 - Yucca	1	16,684.00
423 - Mesa Gardens	1	1,274.00
431 - Stone Creek	0	-
432b - Van Leuven 8	2	1,060.00
434a - Brockton	1	9,489.00
434d - Third St	0	-
437 - Sunset Gardens	1	4,041.00
Concessions Write Off		-
<b>TOTAL RENT WRITE OFF</b>	23	84,642.40
Miscellaneous Charges		1,621.58
Maintenance Charges		21,887.95
Legal Charges		10,133.00
Security Deposits Applied		(16,986.00)
<b>NET TOTAL WRITE OFF</b>		101,298.93

Vacated Tenant Accounts for the Authority Owned Portfolio to be Written Off as Collection Loss  
for the Month of November 2023  
February 13, 2024

**PROCUREMENT**

Not applicable

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on January 26, 2024

# Housing Authority County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End:

11/30/23

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>481130 - Maplewood</b>													
1	B	B		E	224.00	4,916.00	-	671.58	505.00	1,185.00	7,277.58	705.00	6,572.58
2	B	J		E	642.00	3,789.00	-	150.00	195.00	813.00	4,947.00	705.00	4,242.00
3	B	M		E	824.00	2,384.00	-	100.00	2,508.11	795.00	5,787.11	705.00	5,082.11
4	V	K		E	395.00	2,370.00	-	150.00	300.00	845.00	3,665.00	993.00	2,672.00
5	G	L		E	286.00	3,486.00	-	250.00	1,480.00	845.00	6,061.00	250.00	5,811.00
<b>TOTALS:</b>						<b>16,945.00</b>	<b>-</b>	<b>1,321.58</b>	<b>4,988.11</b>	<b>4,483.00</b>	<b>27,737.69</b>	<b>3,358.00</b>	<b>24,379.69</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	Notice to pay or quit	03/10/23	Posted	04/10/23	05/18/23	N		N/A	11/08/23	11/08/23
2	Notice to pay or quit	05/09/23	Posted	06/13/23	06/29/23	Y		09/20/23	11/29/23	11/29/23
3	Notice to pay or quit	06/06/23	Posted	07/12/23	07/19/23	N		N/A	11/29/23	11/29/23
4	Notice to pay or quit	07/14/23	Posted	08/14/23	08/21/23	N		N/A	N/A	11/16/23
5	Notice to quit	07/26/23	Posted	07/31/23	08/04/23	N		N/A		11/29/23

<b>481131- Maplewood Scattered</b>													
1	D	M		V	334.00	111.00			1,023.00	-	1,134.00	1,099.00	35.00
<b>TOTALS:</b>						<b>111.00</b>	<b>-</b>	<b>-</b>	<b>1,023.00</b>	<b>-</b>	<b>1,134.00</b>	<b>1,099.00</b>	<b>35.00</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	N/A									11/10/23

<b>481170- 7th Street</b>													
1	F	S		E	741.00	3,131.00			831.00	795.00	4,757.00	-	4,757.00
<b>TOTALS:</b>						<b>3,131.00</b>	<b>-</b>	<b>-</b>	<b>831.00</b>	<b>795.00</b>	<b>4,757.00</b>	<b>-</b>	<b>4,757.00</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	Notice to quit	07/14/23	Posted	7/14/2023	7/27/2023	N		N/A	11/07/23	11/07/23

<b>481172- Bighorn</b>													
1	B	L		Eviction					(156.00)		(156.00)		(156.00)
<b>TOTALS:</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>(156.00)</b>	<b>-</b>	<b>(156.00)</b>	<b>-</b>	<b>(156.00)</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	Payment on bad debt									

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

# Housing Authority County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End:

11/30/23

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>403 - Summit Walk</b>													
1	E	M		V	1,830.00	5,884.33	-		643.00		6,527.33	1,699.00	4,828.33
2	H	C		V	1,990.00	813.00			933.00		1,746.00	1,635.00	111.00
3	S	J		V	1,930.00	1,851.00			533.00		2,384.00	835.00	1,549.00
4	M	V		E	1,512.00	15,678.00	-		678.00	1,500.00	17,856.00	835.00	17,021.00
<b>TOTALS:</b>						<b>24,226.33</b>	-	-	<b>2,787.00</b>	<b>1,500.00</b>	<b>28,513.33</b>	<b>5,004.00</b>	<b>23,509.33</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	Intent to Vacate	09/13/23								11/03/23
2	Intent to Vacate	08/01/23								11/15/23
3	Intent to Vacate	09/22/23								10/21/23
4	Notice to pay or quit	01/06/23	Posted	02/10/23	03/01/23	Y		10/04/23	11/19/23	11/19/23

407 - Sunset Pointe													
1	J	P		E	925.00					2,140.00	2,140.00		2,140.00
TOTALS:						-	-	-	-	2,140.00	2,140.00	-	2,140.00
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
1	Adjustment to previous month writeoff												

408 - Sunrise Vista														
	1	T	E							(1,048.20)		(1,048.20)		(1,048.20)
	2	A	J							(519.00)		(519.00)		(519.00)
	3	R	S		S	1,150.00	187.39			1,312.00		1,499.39	600.00	899.39
	4	H	A		V	1,050.00	1,263.80			406.04		1,669.84	600.00	1,069.84
	5	B	K		S	997.00	3,026.16	-		1,409.00	-	4,435.16	400.00	4,035.16
TOTALS:						4,477.35	-	-		1,559.84	-	6,037.19	1,600.00	4,437.19
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	Adjustment to previous month writeoff													
3	Skip									11/02/23				
4	Intent to Vacate	10/01/23								11/02/23				
5	Skip									11/20/23				

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

# Housing Authority County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End:

11/30/23

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	O					-		(660.00)		(660.00)		(660.00)
2	S	D		V	2,000.00	1,256.00	-	75.00	438.00		1,769.00	1,069.00	700.00
3	M	K		S	1,800.00	1,947.72	-	75.00	2,267.00		4,289.72	900.00	3,389.72
4	J	M					-		1,161.00		1,161.00		1,161.00
<b>TOTALS:</b>						<b>3,203.72</b>	<b>-</b>	<b>150.00</b>	<b>3,206.00</b>	<b>-</b>	<b>6,559.72</b>	<b>1,969.00</b>	<b>4,590.72</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	Adjustment to previous month writeoff									
2	Intent to Vacate	09/15/23								10/31/23
3	Notice to pay or quit	09/15/23	Posted							11/14/23
4	Adjustment to previous month writeoff									

<b>417 - Yucca</b>													
1	P	L		E	1,050.00	16,684.00	-		2,583.00		19,267.00	800.00	18,467.00
<b>TOTALS:</b>						<b>16,684.00</b>	<b>-</b>	<b>-</b>	<b>2,583.00</b>	<b>-</b>	<b>19,267.00</b>	<b>800.00</b>	<b>18,467.00</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	Notice to pay or quit	03/02/23	Posted	04/03/23	05/02/23	N			10/25/23	10/25/23

<b>423 - Mesa Gardens</b>													
1	R	W							(100.00)		(100.00)		(100.00)
2	R	C		T	1,112.00	1,274.00	-	50.00	880.00		2,204.00	800.00	1,404.00
<b>TOTALS:</b>						<b>1,274.00</b>	<b>-</b>	<b>50.00</b>	<b>780.00</b>	<b>-</b>	<b>2,104.00</b>	<b>800.00</b>	<b>1,304.00</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	Payment on bad debt									
2	Notice to quit	8/23/2023								10/03/23

<b>431 - Stone Creek</b>													
1	D	P							(35.00)		(35.00)		(35.00)
<b>TOTALS:</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>(35.00)</b>	<b>-</b>	<b>(35.00)</b>	<b>-</b>	<b>(35.00)</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	Payment on bad debt									

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

# Housing Authority County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End: 11/30/23

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>432b - Van Leuven 8</b>													
1	H	T		T	1,475.00	(28.00)			730.00		702.00	500.00	202.00
2	P	T		S	1,140.00	1,088.00		50.00	2,195.00		3,333.00	856.00	2,477.00
<b>TOTALS:</b>					<b>1,060.00</b>		<b>-</b>	<b>50.00</b>	<b>2,925.00</b>	<b>-</b>	<b>4,035.00</b>	<b>1,356.00</b>	<b>2,679.00</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	Notice to quit	08/04/23	Hand	N/A						11/02/23
2	Skip									10/26/23

<b>434a - Brockton</b>													
1	S	S		E	961.00	9,489.00			1,240.00		10,729.00	400.00	10,329.00
<b>TOTALS:</b>						<b>9,489.00</b>	<b>-</b>	<b>-</b>	<b>1,240.00</b>	<b>-</b>	<b>10,729.00</b>	<b>400.00</b>	<b>10,329.00</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	Notice to pay or quit	03/06/23	Posted	04/07/23	06/06/23	N			11/01/23	11/01/23

<b>434d - Third St</b>													
1	R	M							(112.00)		(112.00)		(112.00)
<b>TOTALS:</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>(112.00)</b>	<b>-</b>	<b>(112.00)</b>	<b>-</b>	<b>(112.00)</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	Payment on bad debt									

<b>437 - Sunset Gardens</b>													
1	K	K					-		(75.00)		(75.00)		(75.00)
2	S	G		T	1,390.00	4,041.00	-	50.00	343.00	1,215.00	5,649.00	600.00	5,049.00
<b>TOTALS:</b>						<b>4,041.00</b>	<b>-</b>	<b>50.00</b>	<b>268.00</b>	<b>1,215.00</b>	<b>5,574.00</b>	<b>600.00</b>	<b>4,974.00</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	Payment on bad debt									
2	Notice to pay or quit	08/01/23	Posted	9/12/2023	9/28/2023	N			turn in keys before lock out	10/26/23

<b>ALL PROPERTY TOTALS:</b>					<b>84,642.40</b>	<b>-</b>	<b>1,621.58</b>	<b>21,887.95</b>	<b>10,133.00</b>	<b>118,284.93</b>	<b>16,986.00</b>	<b>101,298.93</b>
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Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_ Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

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