

**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
June 10, 2025, 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. Your comments will be placed into the record at the meeting. Efforts will be made to read the comments into the record, but some comments may not be read due to time limitations.

DISCUSSION CALENDAR

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

- 4) Receive the Executive Director's Report for June 10, 2025.
(Page 1)
- 5) Receive the board building presentation for June 10, 2025, regarding preliminary information for the Fiscal Year 2025-2026 agency budget and the 2026 Moving to Work annual plan.
(Page 2)
- 6) Adopt Resolution No. 210 approving revisions to the Administrative Plan governing the Housing Authority of the County of San Bernardino's rental assistance programs.
(Pages 3-59)
- 7) Approve a contract with Knowledge, Education for Your Success, Inc. for the provision of California Work Opportunity and Responsibility to Kids Housing Support Program Housing Navigator Services for a total contract amount not to exceed \$16,434,760 for the contract period of July 1, 2025, through May 31, 2028.
(Pages 60-96)

- 8) Approve revisions to the Violence Against Women Act Emergency Transfer Plan for the Housing Authority of the County of San Bernardino.
(Pages 97-103)
- 9) Retroactively approve Amendment No. 2 to lease agreement with the County of San Bernardino to increase the premises by 1,200 square feet by adding 1163 North Crestview Avenue to the premises, to extend the term for 15 years, for the period of June 1, 2025 through May 31, 2040, following a permitted holdover period from July 1, 2024, through May 31, 2025, adjust the rental rate schedule, and update standard lease agreement language for a total of approximately 4,319 square feet in Building A & B for Preschool Services Department at 1161 North Crestview Avenue and 1163 North Crestview Avenue in San Bernardino.
(Pages 104-125)
- 10) Retroactively approve Amendment No. 2 to Lease Agreement No. 17-466 with San Bernardino County Preschool Services, to extend the existing term of Lease Agreement No. 17-466 with the County of San Bernardino, for a period of June 1, 2025 through May 31, 2040, expand the premises from 1,512 square feet to 6,299 square feet, adjust the rental rate schedule, and update standard lease agreement language for office and classroom space, for the Preschool Services Department, located at 1755 Maple Street in San Bernardino.
(Pages 126-153)
- 11) Authorize the issuance of tax-exempt multifamily bonds by the Housing Authority of the County of San Bernardino (HACSB) to provide permanent financing for the Valencia Grove Phase II project. Staff has initiated the procurement of bond counsel (PC1423) and banker services (PC1418) and is also requesting the board to authorize the use of competitively procured bond counsel and banker.
(Pages 154-219)

CONSENT CALENDAR

APPROVAL OF CONSENT ITEMS: # 12-16

- 12) 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 May 13, 2025.
(Pages 220-226)
- 13) Approve and file agency-wide financial statements through February 2025.
(Pages 227-230)
- 14) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of March 2025.
(Pages 231-236)
- 15) Approve the write-off of delinquent accounts for the Housing Services Programs as collection losses for the month of April 2025.
(Pages 237-239)
- 16) Adopt Resolution No. 211 amending FY 2024-2025 Utility Allowance Schedules for the Housing Choice Voucher program, effective June 11, 2025.
(Pages 240-246)

CLOSED SESSION

- 17) CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to Gov't Code Section 54957.6:
HACSB designated negotiator/representative: Jennifer Dawson, Director of Human Resources
Employee organization: Teamsters Local 1932
- 18) Individual Board member comments.
- 19) 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**

June 10, 2025

FROM

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

SUBJECT

Executive Director's Report for June 10, 2025

RECOMMENDATION(S)

**Receive the Executive Director's Report for June 10, 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

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.

ITEM ATTACHMENTS

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 15, 2025.

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

June 10, 2025

FROM

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

SUBJECT

Board Building Presentation for June 10, 2025

RECOMMENDATION(S)

Receive the board building presentation for June 10, 2025, regarding preliminary information for the Fiscal Year 2025-2026 agency budget and the 2026 Moving to Work annual plan.
(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 preliminary information for the Fiscal Year 2025-2026 agency budget and the 2026 Moving to Work annual plan.

PROCUREMENT

Not applicable.

ITEM ATTACHMENTS

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 15, 2025.

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

June 10, 2025

FROM

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

SUBJECT

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

RECOMMENDATION(S)

Adopt Resolution No. 210 approving revisions to the Administrative Plan governing the Housing Authority of the County of San Bernardino's rental assistance programs.
(Presenter: Maria Razo, Executive Director, 332-6305)

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 the proposed revisions to the Administrative Plan will have no direct financial impact to the Housing Authority of the County of San Bernardino's (HACSB) FY25 budget.

BACKGROUND INFORMATION

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

On May 10, 2021, the HACSB was awarded 455 Emergency Housing Vouchers (EHV) via the American Rescue Plan Act of 2021 to provide rental assistance to low-income families that are homeless, at risk of being homeless, fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking, or recently homeless and for whom providing rental assistance will prevent the family's return to homelessness. Applicants for the program were referred through the County of San Bernardino's Coordinated Entry System and domestic violence victims service providers. At the time of the award, housing authorities were informed that EHV program funding was authorized through September 30, 2030. However, based on recent information received from HUD there will not be adequate funding available to carry the program through the 2030 date. Based on a recent funding notice provided by HUD, EHV funds for HACSB will be fully expended in about twelve months resulting in the loss of program assistance to approximately 370-400 households.

At this time, no notice of additional funding to extend the EHV program has been made. HUD recommends that housing authorities absorb EHV participants into their HCV programs. Unfortunately, HACSB, like most other Public Housing Authorities, does not have sufficient funding to absorb EHV families into the HCV tenant-based program. HACSB has not pulled from the tenant-based waiting list in over two years due to insufficient funding.

One potential housing resource is the HCV Project-Based Voucher (PBV) program. PBV units have regular turnover, and staff are continually pulling from the PBV waiting lists to fill vacancies. Currently, EHV participants may apply to several open PBV waiting lists. However, many of these waiting lists have significant waiting times, so it is unlikely that these applicants will be offered units before their EHV assistance ends. Therefore, staff recommends the establishment of a one-time, limited preference for EHV participants on the PBV waiting lists. The EHV preference would place EHV participants served by HACSB at the top of the waiting lists of their choice. Transitioning as many EHV participants to PBV as soon as possible will prevent the interruption of assistance, recidivism to homelessness and possibly extend EHV funds for remaining families. Staff anticipate that about 30-50 EHV participants may benefit from the preference. Because this is only a partial solution, staff are also working to identify other resources in the community for EHV families.

The primary reason for revising the Administrative Plan is to establish a preference for EHV participants on the PBV waiting lists. Other revisions have been made throughout the Administrative Plan to conform to recent HUD guidance concerning the Family Unification Program and Foster Youth Initiative and promote consistent application of policies and procedures. Since the Administrative Plan is continuously reviewed for compliance and efficiency, HACSB staff take the opportunity to make minor changes when material changes are brought to the board. Attached is a table summarizing the proposed revisions along with the corresponding sections from the Administrative Plan with the tracked changes.

To utilize available resources to provide continued assistance to EHV participants, ensure alignment with HUD regulations and to promote program efficiency, it is recommended the Board adopt the resolution to approve the proposed changes to the Administrative Plan.

PROCUREMENT

Not applicable.

ITEM ATTACHMENTS

- Resolution No. 2025-210
- Attachment 1 – Summary of Administrative Plan Changes June 2025
- Attachment 2 – Administrative Plan Revisions Redline Pages June 2025

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 19, 2025.

HOUSING AUTHORITY RESOLUTION NO. 2025-210

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

RECITALS

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

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

WHEREAS, HACSB wants to establish an HCV project-based voucher program waiting list preference for Emergency Housing Voucher program participants served by HACSB;

WHEREAS, HACSB finds that the establishment of a waiting list preference for EHV will assist in preventing homelessness when EHV funding is exhausted; and

WHEREAS, HACSB desires to amend its policies and procedures to incorporate new HUD regulations as well as revise language in other sections.

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

Section 3. This resolution shall take effect immediately upon its adoption.

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

AYES:

NOES:

ABSENT:

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

I, _____, Secretary of the Board of Commissioners of the Housing Authority of the County of San Bernardino, hereby certify the foregoing to be a full, true and correct copy of the record of the action taken by the Board of Commissioners, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of Tuesday, June 10, 2025.

Secretary

Summary of Administrative Plan Changes, June 2025

Section	Topic	Change
1.5.2	Housing Services Program Types	Updates definition of Family Unification Program (FUP) and the Foster Youth to Independence (FYI) program
2.1.3.1.2	Referral Based Special Purpose Programs	Adds FYI vouchers to the referral-based program list
2.1.3.1.3	Moving to Work Activities	Clarifies that non-waiting list admissions to the Housing Choice Voucher (HCV) program are subject to available funding
2.2.2	Applying to the Waiting List	Adds information about the new waiting list preference for EHV program participants facing termination due to funding
2.2.8.3.1	Local Preferences	Adds information about established local preferences and the new EHV preference
2.2.8.3.2	Other Preferences	Removes Continuum of Care under other waiting list preferences. Admissions from CoC to HCV program are completed through non-waiting list special admissions identified in 2.1.3.1.3
3.11	Screening for Criminal Background and Drug Abuse	Excludes applicants who are continuously assisted under another Housing Services program from screening for criminal background and drug abuse during admission to a new program
3.12.3.1	Streamlined Tiered Lease Assistance for Career-Focused Families – Family Unification Program/Foster Youth Initiative	Adds FYI program to this section
6.4.8.2	Temporary Hardship Exemptions	Updates language concerning temporary hardship exemptions to account for interim rent tier changes and a change to the medical expense definition
6.5.1	Minimum Rent – Streamlined Lease Assistance and Family Self-Sufficiency Program	Adds FYI program to the footnote concerning the minimum rent waiver
7.5.6.3	Assets and Income from Assets – Traditional, Regulatory Assistance for Special Purpose Programs	Corrects threshold used for verification of net assets
7.5.9	Parental Income of Students Subject to Eligibility Restrictions	Adds information on how a student's independence from their parents is verified

Summary of Administrative Plan Changes, June 2025 (Continued)

Section	Topic	Change
8.6.3	Family Obligations Agreement or Voucher Conditions – Mainstream Voucher Program, Foster Youth to Independence (FYI), and Family Unification Program (FUP)	Adds recent HUD guidance providing a 120-day initial housing search term to FYI and FUP families
9.6.4	Lease Review	Adds FYI program to this section
11.5.1 and 11.5.2	Payment Standards for Housing Services Program	Adds footnote concerning the transfer to VASH participants from the Special Purpose Voucher Programs Payment Standards to the Local Payment Standards
12.8.2 and subparts	Changes in Income	Clarifies income reporting requirements for each program
14.3	Termination of the Contract by the Housing Authority	Adds FYI vouchers to the section
15.7	Homeless Serving Special Purpose Programs – Program Reviews	Adds FYI vouchers to the section
16.2.2.3	Term of Assistance – Family Unification Program (FUP)/Foster Youth to Independence (FYI)	Adds FYI vouchers to the section
16.2.2.3.1	Term of Assistance	Adds FYI vouchers to the section
16.2.2.4	Additional Termination Reasons – Emergency Housing Voucher Program	Updates section to reflect change in EHV funding
16.4	Termination Due to Insufficient Funds	Clarifies that participants terminated due to insufficient funds will be placed at the top of the waiting list for the same program if the program is still active
16.7.1	Reasons an Informal Hearing is Not Required	Adds that an informal hearing is not required due to termination of assistance due to insufficient funds
16.7.3	Pre-hearing Appointment	Formalizes current procedure of holding a pre-hearing appointment

Summary of Administrative Plan Changes, June 2025 (Continued)

Section	Topic	Change
20.7.3 and subparts	Owner-Maintained Waiting Lists for Project-Based Voucher Units	Adds information permitting PBV Owners to manage their property's waiting list subject to HACSB approval
20.18.1	Wrong Sized Unit	Adds information clarifying differences between the Streamlined Lease Assistance, RAD, FSS VASH and Traditional Regulatory Assistance for Special Purpose Programs
20.18.2	Other Moves	Adds information clarifying differences between the Streamlined Lease Assistance, RAD, FSS VASH and Traditional Regulatory Assistance for Special Purpose Programs
20.19.1	Mandatory Transfers	Clarifies move process for mandatory transfers and differences between programs
20.19.2	Participant Requested Transfers	Clarifies which programs are eligible for emergency transfers
21.1	Introduction: Homeownership	Introduces the Homeownership Program as a special housing type under the Housing Choice Voucher program
21.2	Family Eligibility	Clarifies which programs offer the homeownership option
21.3	Selection of Families	Clarifies which programs offer the homeownership option
21.13	Portability and Homeownership	Adds section to discuss when participation in the Homeownership Program is permitted under portability

continues to make payments to the owner as long as the family is eligible and the housing unit continues to qualify under the program.

To administer the Housing Services program, the Housing Authority enters into a contractual relationship with HUD. The Housing Authority also enters into contractual relationships with the assisted family and the owner or landlord of the housing unit. For the program to work and be successful, all parties involved – HUD, the Housing Authority, the owner, and the family – have important roles to play. The roles and responsibilities of all parties are defined in federal regulations and in legal documents that parties execute to participate in the program.

1.5.2 Housing Services Program Types

The Housing Authority administers several distinct types of Housing Services programs. All types, except for Term-Limited Lease Assistance and Emergency Housing Voucher (EHV) program, may be either tenant-based or project-based. Term-Limited Lease Assistance and EHV are only available as tenant-based assistance.

- **Term-Limited Lease Assistance** – Participants in the Term-Limited Lease Assistance program execute a Family Obligations Agreement (FOA) with the Housing Authority.¹ Each participant receives five years of housing assistance as long as they remain compliant with the FOA and continue to remain eligible for the program. This program became effective for all new non-elderly/non-disabled, tenant-based participants on January 1, 2012, including the former Upland Housing Authority waiting list applicants who are pulled on or after July 1, 2017, and all port-in families, families exercising mobility through the Project-Based Voucher program, and non-legacy families in Rental Assistance Demonstration (RAD) units exercising mobility who are briefed on or after November 1, 2017.
- **Streamlined Fixed Lease Assistance for Elderly/Disabled Families** – Elderly/Disabled families who become participants after November 1, 2014 or were existing participants admitted to the program prior to November 1, 2014 and who have a recertification effective date of February 1, 2015 or later² will participate in the Streamlined Fixed Lease Assistance program.³ This also applies to the former

¹ The FY 2011 Moving to Work Annual Plan included Activity 20: Term-Limited Lease Assistance program.

² The recertification process for families with a February 1, 2015 or later effective date will be commenced in November, 2014.

³ The FY 2013 Moving to Work Annual Plan included Activity 22: Streamlined Lease Assistance programs. The Streamlined Fixed Lease Assistance program serves elderly/disabled families and the Streamlined Tiered Lease Assistance program serves Career Focused Families. Participants, who were not Term-Limited Lease Assistance program participants and who had a recertification effective date prior to February 1, 2015, participated in the

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Revised: ~~March~~ June 2025

Upland Housing Authority (UHA) elderly/disabled families as a result of the voluntary transfer on July 1, 2017 with a recertification date of January 1, 2018 or later; future Plan references to Streamlined Fixed Lease Assistance families will also apply to these former UHA families. Each participant family has their income calculated based on gross income and receives no allowances or deductions. Rent is determined based on a set percentage of income throughout participation in the program.

- **Streamlined Tiered Lease Assistance for Career-Focused Families** – Existing participants who received assistance prior to January 1, 2012 and are not elderly/disabled households but who have a recertification effective date of February 1, 2015 or later are part of the Streamlined Tiered Lease Assistance for Career Focused Families program. This also applies to the former Upland Housing Authority (UHA) career focused families as a result of the voluntary transfer on July 1, 2017 with a recertification date of January 1, 2018 or later; future Plan references to Streamlined Tiered Lease Assistance families will also apply to these former UHA families. Each participant family has their income calculated on gross income and receives no allowances or deductions. Rent is determined based on an increasing percentage of income at each recertification.
- **Streamlined Fixed Lease Assistance for Career-Focused Families** – All non-elderly and non-disabled families admitted under the project-based voucher program and sponsor-based project-based voucher program after January 1, 2017, will participate in the Streamlined Fixed Lease Assistance for Career-Focused Families program.
- **Veterans Affairs Supportive Housing (VASH)** – Assists homeless veterans, including recently returning veterans, referred by the Veterans Administration Medical Center (VAMC) to the Housing Authority.. The Housing Authority and VAMC have partnered to provide rental voucher and supportive services to eligible veterans. Except as otherwise specified in this document, the policies for HACSB's Moving to Work program shall apply to this program.
- **Local Disaster Short-Term Rental Assistance Program** – Assistance through this program will be limited to families displaced as the direct result of a local disaster. A local disaster is an event that occurs within the County of San Bernardino and may include a natural disaster, an act of terrorism, or other event

Transitional Assistance for MTW Families program until their next recertification, at which time they were transitioned to the Streamlined Lease Assistance program that they were determined to be eligible for. These participants were subject to HACSB rules that were implemented for MTW families. These specific rules were noted in the prior versions of the Administrative Plan.

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Housing Services Program Administrative Plan

Revised: March-June 2025

as determined by the Housing Authority. The qualification of a local disaster shall be declared by the Housing Authority through its governing board. The income and rental subsidy for this program shall align with the Streamlined Lease Assistance program methodologies. Except as otherwise specified in this policy, the policies for HACSB's Housing Choice Voucher Program shall apply to this program.

- **Family Unification/Foster Youth to Independence** - The Family Unification Program (FUP) and Foster Youth to Independence is administered in partnership with the San Bernardino County Department of Children and Family Services (CFS). Tenant-Based Voucher (TBV) FUP rental assistance is provided to families for which the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, in out-of-home care; or the delay in the discharge of the child, or children, to the family from out-of-home care. Additionally, FUP and Foster Youth to Independence (FYI) vouchers are used to assist youth who have attained at least 18 years and not more than 24 years of age and who have left foster care, or will leave foster care within 180 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act, and are homeless or are at risk of becoming homeless at age 16 or older. Applications from residents of San Bernardino County are referred through CFS. The income and rental subsidy for this program shall align with the Streamlined Lease Assistance program methodologies. Except as otherwise specified in this policy, the policies for HACSB's Housing Choice Voucher Program shall apply to this program.
- **Mainstream Vouchers** (formally Mainstream 5 and Mainstream 811) - Provides rental assistance for a family containing a member who is a person with disabilities between the ages of 18 – 61 to enable the family to rent suitable and accessible housing in the private market. Effective January 1, 2021, Mainstream 5 participants will transition to the Streamlined Lease Assistance for Elderly and Disabled at recertification.
- **Traditional, Regulatory Assistance for Special Purpose Programs** – Certain HUD programs are not eligible for inclusion in the Moving to Work Demonstration. These programs are administered in accordance with federal regulations and the specific criteria established by the special purpose program. HACSB's MTW Agreement and MTW Plans do not apply to any of these program types. These programs include:
 - **Continuum of Care** – Provides rental assistance for hard to serve homeless persons with disabilities in connection with supportive services funded from sources outside the program.

- **Housing Opportunities for People with AIDS (HOPWA)** – HACSB has partnered with the Foothill AIDS Project to offer rental assistance and supportive services to persons with HIV or AIDS.
- **Master Leasing Program** – Funded by the State of California Mental Health, this program serves mentally ill or developmentally disabled families in a group home setting. Case management and comprehensive support services are provided for participants of this program.
- **Family Self-Sufficiency** – The Family Self-Sufficiency (FSS) program enables families to increase their earned income and eliminate their dependency on public assistance and housing subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, counseling and other forms of social service assistance while receiving housing assistance. The income and housing subsidy for this program shall align with the Traditional, Regulatory Assistance programs methodologies. Except as otherwise specified in this policy, the policies for HACSB's Housing Choice Voucher Program shall apply to this program.
- **Emergency Housing Vouchers** – Emergency Housing Vouchers authorized under the American Rescue Plan Act of 2021 to provide rental assistance to low-income families that are homeless; at risk of being homeless; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking; or recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability. Eligibility under these categories is defined in Notice PIH 2021-15 and program applicants are referred by the Coordinated Entry System and other partner organizations, who have Memorandum of Understanding with the Housing Authority.

1.6 Rules and Regulations

This Administrative Plan is set forth to define the Housing Authority's local policies for operation of the housing programs in the context of Federal laws and regulations. All issues related to the Housing Services program not addressed in this document are governed by the HACSB's MTW Agreement, MTW Plans, federal regulations, HUD memos, notices and guidelines, state and local laws, and other applicable laws. Applicable regulations include:

- CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination

2.1.3.1 Special Purpose Program Admissions

Special purpose funding or Moving to Work activities with specific eligibility criteria may be implemented by the Housing Authority. Such housing assistance funding shall be for the individuals and families indicated in the federal, State or local requirements, rules, and regulations for each program. In some cases, use of the tenant-based waiting list is required, or a separate waiting list must be established.

2.1.3.1.1 Mainstream Program

Families will be selected from the general tenant-based voucher wait list based on their eligibility for the Mainstream program, wait list position (application sequence or lottery number), and applicable local preferences. Families may apply for assistance (by applying directly to the wait list or through a referral from a partner agency) at any time when the tenant-based voucher wait list is open. If the general tenant-based voucher wait list is closed and does not have enough applicants to fill the available funding, the Housing Authority may open the wait list only to applicants who qualify for the Mainstream Program.

2.1.3.1.2 Referral Based Special Purpose Programs

Other special purpose programs are referral based and families may be admitted outside of the waiting lists. A referral based special purpose program may be either a tenant-based or project-based program. Subject to available funding, families are admitted through referrals from designated partners on a first come, first served basis for certain programs, including, but not limited to:

- Continuum of Care (formerly known as Shelter Plus Care)
- Housing Opportunities for People With AIDS (HOPWA)
- Veterans Affairs Supportive Housing (VASH)
- Family Unification Program (FUP) and Foster Youth to Independence (FYI)
- Emergency Housing Vouchers (EHV)

2.1.3.1.3 Moving to Work Activities

The following HUD approved Moving to Work activities are non-waiting list special admissions and are subject to available funding:

- Local Disaster Short-Term Rental Assistance Program⁶
- No Child Left Unsheltered Program⁷

⁶ The FY 2017 Moving to Work Annual Plan, Amendment 1 included Activity 26: Local Disaster Short-Term Rental Assistance Program.

⁷ The FY 2014 Moving to Work Annual Plan Included Activity 23: No Child Left Unsheltered program. Families may be referred to the program as special admissions or placed onto a waiting list.

- CoC households identified as eligible for the Moving On Strategy⁸

2.1.3.2 HUD Special Admissions (Non-Waiting List) [24 CFR 982.203]

The Housing Authority may admit certain types of families outside of the waiting list process. These families do not have to qualify for any preference, are not required to be on the program waiting list and are not required to be referred by an outside entity. The Housing Authority will maintain separate records of these admissions. The following are examples of types of program funding that may be designated by HUD for families living in a specified unit:

- A family displaced because of demolition or disposition of a public or Indian housing project;
- A family residing in a multifamily rental housing project when HUD sells, forecloses, or demolishes the project;
- For housing covered by the Low-Income Housing Preservation and Resident Homeownership Act of 1990;
- A family residing in a project covered by a project-based contract at or near the end of the contract term; and
- A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

2.1.4 Portability Vouchers from Other Public Housing Authorities

Under portability, families from other housing authorities may become participants in HACSB's Housing Services program. Families who port in from other housing authorities do not apply for the waiting list.

2.1.5 Transfers from Other HACSB Programs

In order to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities, the Housing Authority may relocate a family that is a current participant in any HACSB subsidized housing programs, including but not limited to: Affordable Housing Program or Housing Services program, with a disabled head of household or family member, to another HACSB housing program. Examples include:

⁸ The FY 2023 Moving to Work Annual Plan included Activity 29: Moving On Strategy detailing process for Continuum of Care participants identified for a voluntary transfer to Streamlined Lease Assistance to be evaluated by the Department of Behavioral Health (DBH) and HACSB for readiness and post-transition rent burden.

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- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities

The Housing Authority will monitor the characteristics of the population being served and the characteristics of the population as a whole in the Authority's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved. When the waiting list is open any family asking to be placed on the waiting list for tenant-based rental assistance will be given the opportunity to apply.

2.2.2 Applying to the Waiting List [24 CFR 982.204 and 205]

The Housing Authority will utilize a computerized pre-application form through the Housing Authority Applicant Portal for all waiting lists. Assistance will be provided as a reasonable accommodation for persons with a disability. The purpose of the pre-application is to permit the Housing Authority to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. A lottery process is applied to the tenant-based waitlist and HACSB will randomly select a number of pre-applications based on the estimated number of families that can be served within a three (3) to five (5) year timeframe. Project-based waitlist applications are accepted as long as the project-based waitlist is open. Information entered into the Applicant Portal must be completed by the applicant and will contain at least the following information:

- Applicant Name, including the names of all household members and personal date (i.e. social security number, date of birth, etc.)
- Address
- Accessibility Needs
- Qualification for Veteran's Preference
- Racial or ethnic designation of all household members
- Annual (gross) family income

The Housing Authority will offer a local preference on various project-based voucher waiting lists to families who are current participants in the of HACSB's Emergency Housing Voucher (EHV) program and are facing termination due to insufficient program funding. ~~EHV participants will be allowed to apply for both open and closed waiting lists for the project-based voucher program and will be placed at the top of these waiting lists. EHV participants receiving assistance from other housing authorities are not eligible for the preference unless the household is living in HACSB's jurisdiction and HACSB is administering the voucher under portability. HACSB may open any waiting list to accept applications only from applicants eligible for the EHV preference.~~

Duplicate applications will not be accepted. The information on the pre-application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified. At that time, HACSB will ensure that family is served under the appropriate program and make the required adjustment.

2.2.3 Closing the Waiting List [24 CFR 982.206]

The application period for the waiting list shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over a three (3) to five (5) year timeframe. The Housing Authority will give at least a ten (10) day public notice prior to closing the list. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws. This process shall not apply to the waiting list for the Local Disaster Short-Term Rental Assistance Program, which shall be open only to families referred by partnering agencies in the event of a locally declared disaster nor shall it apply to the waiting list for the Family Unification Program, which is open only to families referred by CFS.

2.2.4 Eligibility for Placement on the Waiting List [24 CFR 982.201(f)]

The Housing Authority will review each completed pre-application received and make a preliminary assessment of the family's eligibility. To be eligible for placement on the waiting list a household must:

- Meet HACSB's definition of a family.
- Be a citizen or noncitizen who has eligible immigration status as determined in accordance with 24 CFR part 5, subpart E. If the applicant is a victim of domestic violence, dating violence, sexual assault, or stalking, 24 CFR part 5, subpart L, applies.
- For the Local Disaster Short-Term Rental Assistance Program, the household must also have been referred to HACSB by a partnering agency as a family displaced from housing as the direct result of a locally declared disaster.
- For the Family Unification Program, the household must also have been referred to HACSB by CFS.

When a family is determined to be ineligible, the Housing Authority will notify the family in writing.

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2.2.8.3 Wait List Preferences

HACSB will select applicants from the waiting list using the local admission preferences described in the following sections.

2.2.8.3.1 Local~~Veteran~~ Preferences

The Housing Authority has established local preferences for the selection of families admitted to the tenant-based and project-based programs. The following preferences were selected based on local housing needs and priorities:

~~provides~~ Veteran Preference is applied to Tenant-Based and Project-Based applications in which the head of household or spouse is:

- An active member of a branch of the United States Military Armed Forces;
- A Veteran; or
- Surviving spouse of a Veteran

Emergency Housing Voucher (EHV) Preference is applied only to Project-Based applications ~~offrom~~ families who are ~~current participants~~currently participating in HACSB's EHV program of the ~~EHV program~~ and facing termination due to insufficient program funding. EHV participants receiving assistance from other housing authorities are not eligible for the preference unless the household is living in HACSB's jurisdiction and HACSB is administering the voucher under portability.

2.2.8.3.2 Other Preferences

Applications or referrals from designated partners received under “other preferences” described below will be assisted on a first come, first served basis and receive the highest priority on the wait list. Under these categories, applications and/or referrals may be accepted to the wait list for the tenant-based voucher program regardless of whether the Housing Authority wait list is open or closed, subject to available funding:

- A family participating in a Continuum of Care (CoC) program administered by the Housing Authority when CoC funding is not renewed;
- Participants that have utilized the Veterans Affairs Supportive Housing (VASH), ~~Continuum of Care (CoC)~~, or Housing Opportunities for People with AIDS (HOPWA) for a 3-year term, no longer require supportive services and are eligible to transition to the voucher program provided they meet all other eligibility requirements. HOPWA participants may transition sooner than 3 years due to extenuating circumstances, such as the death of the HOPWA eligible household member. ~~CoC and~~ VASH participants may transition sooner due to insufficient

~~CoC or~~ VASH funding. Verification from the supportive services provider stating that supportive services are no longer needed is required;

- No Child Left Unsheltered (NCLU) Families described below;⁹
- Families referred by HUD as part of a witness relocation program; or
- Families who are involuntarily displaced as described below.

2.2.8.3.2.1 No Child Left Unsheltered (NCLU)

Under NCLU, the Housing Authority assists unsheltered families with children and young adults participating in the Department of Children and Family Services Foster Care Aftercare Program. Families are either admitted to the program as a special admission or placed on a waiting list for this program.

Families with children must be unsheltered at time of application, but do not otherwise qualify as chronically homeless under the HUD definition, but who:

- Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 90 days immediately preceding the date of application for homeless assistance; and
- Have experienced persistent instability as measured by two moves or more during the six-month period immediately preceding the date of applying for homeless assistance; and
- Can be expected to continue in such status for an extended period of time because of chronic disability, chronic physical health or mental health conditions, substance use disorder, history of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or
- Two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment.

⁹ The FY 2014 MTW Plan, Activity 23: No Child Left Unsheltered, set aside 40 tenant-based or project-based vouchers for the program. The FY 2018 MTW Plan modified the activity to add 20 tenant-based vouchers. The FY 2019 MTW Plan modified the activity to add that the NCLU families are transitioned to the TLA or SLA activity after two years of participation for those admitted after October 1, 2019. The FY 2025 MTW Plan modified the activity to add that the 60 NCLU units could be any combination of project-based or tenant-based vouchers.

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do not apply to noncitizens who do not contend eligible immigration status. If the family fails to provide SSN documentation within the timeframes established by the Housing Authority, assistance will be denied in accordance with the policies described in Chapter 15.

3.10 Family Consent to Release of Information [24 CFR 5.230, 24 CFR 982.552(b)(3)]

Applicants must provide true and complete information to the Housing Authority whenever information is requested. The Housing Authority will obtain proper authorization from the family before requesting information from independent sources. The Housing Authority must deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information.

All adult family members will be required to sign the HUD-9886-A “Authorization for Release of Information/Privacy Act Notice.” In addition to the Authorization for Release of Information/Privacy Act Notice, the Housing Authority requires family members to sign other specific authorization for release of information forms. Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.

3.11 Screening for Criminal Background and Drug Abuse [24 CFR 982.522 - 982.553 and PIH Notice 2012-28]

The Housing Authority will screen all applicants eighteen (18) years of age and older for criminal and drug related activity unless the applicant is continuously assisted under another Housing Services Program, such as Moving On participants or EHV participants transferring to project-based program with no interruption in assistance. Applicants will be advised on the pre-application and at the start of the eligibility process that criminal behavior may preclude admission to the Housing Services Program. All persons who sign the Disclosure Form, including the certification of criminal activity, declare under penalty of perjury that the information provided is accurate. Providing false information on this certification is grounds for denial of assistance.

The Housing Authority will check for criminal activity of an applicant family by using the criminal records system of the City and County of San Bernardino, the State of California, and the federal National Crime Information Center (the “NCIC”). The Housing Authority will also examine criminal histories provided by other States or municipalities, court records, and other evidence that might document any criminal activity. The information to be examined includes:

- Any and all information relative to any criminal convictions or activity, both felonies and misdemeanors within the past seven (7) years;
- 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;
- Lifetime sex offender registration requirement for any household member. The Housing Authority will check in California and any other states where any family member is known to have resided.

The Housing Authority also will screen all applicants ages eighteen (18) years and older for 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.

The Fair Housing Act explicitly states that current illegal drug users ARE NOT a protected class (persons with disabilities) and permits Housing Authority to reject such applicants. Further, notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for the purposes of eligibility for low-income housing, solely on the basis of any drug or alcohol dependence. [QHWRA; Subtitle A; Sec. 506(3)].

The Housing Authority will not conduct additional screening to determine an applicant family's suitability for tenancy. However, HUD requires the Housing Authority to provide prospective owners with the family's current and prior address (as shown in Housing Authority records) and the name and address (if known) of the owner at the family's current and prior addresses.

An applicant will be denied admission for criminal and drug related history in accordance with the policies described in Chapter 15.

3.12 Housing Services Program Determination

Once all eligibility factors have been confirmed, the Housing Authority will determine the Housing Services program for which the family qualifies. Program determination criteria are described in this section.

3.12.1 Term-Limited Lease Assistance

All applicants admitted after January 1, 2012, who are not elderly or disabled families are required to participate in the Term-Limited Lease Assistance program. All port-in families, families exercising mobility through the Project-Based Voucher program, non-legacy families in Rental Assistance Demonstration (RAD) units exercising mobility who are

program. All households admitted to the NCLU program after December 31, 2022 will transition after two-years.

3.12.2.1 Mainstream Vouchers

The Mainstream Voucher Program was developed to provide rental assistance to persons with disabilities who are seeking suitable, affordable, and accessible housing in the private market. Vouchers awarded under the Mainstream 811 NOFA are administered using the same rent calculation methods as the Streamlined Fixed Lease Assistance program.

3.12.3 Streamlined Tiered Lease Assistance for Career-Focused Families

All non-elderly and non-disabled participants who received assistance prior to January 1, 2012 and have a recertification effective date of February 1, 2015 or later, including incoming portability families for which HACSB bills the initial PHA, families assisted under the No Child Left Unsheltered program criteria (admitted prior to October 1, 2019), families assisted under the sponsor-based project-based voucher program criteria, current project-based voucher participants, and/or former Upland Housing Authority career focused families transferred through the HUD approved voluntary transfer on July 1, 2017 will participate in the Streamlined Tiered Lease Assistance for Career Focused Families program as of their recertification date.

3.12.3.1 Family Unification Program/Foster Youth to Independence

The Family Unification Program (FUP) and Foster Youth to Independence (FYI) will be administered using the Streamlined Tiered Lease Assistance (SLA) Program for Career-Focused Families unless the family meets the criteria for the Streamlined Lease Assistance for Elderly/Disabled Families. HUD does not permit term limits for FUP families. FUP-eligible youth and FYI participants are limited to 36 months of assistance under FUP regulations and may qualify for rental assistance for up to 24 months beyond the 36-month term limit. See chapter 16 for extension criteria.

The Housing Authority may transfer a FUP eligible family out of FUP into the general Streamlined Lease Assistance program if the family no longer has children in the household or to make FUP vouchers available.

3.12.4 Traditional, Regulatory Assistance for Special Purpose Programs

The Special Purpose programs program described in this section are administered in accordance with federal regulations and the specific criteria established by the special purpose program. Some of the eligibility criteria described in this Chapter, such as certain

regarding their case and all requests for hardship exemptions will be reviewed by the Hardship Review Committee. After the committee has evaluated the family's request, they will determine if the family qualifies for a temporary or permanent hardship exemption. If approved, the tenant rent portion change will be effective the first of the month following the receipt of the request.³⁷

The following sections describe the types of hardship exemptions that may be granted. All non-elderly/non-disabled households approved for a temporary hardship exemption will be required to participate in the Family Empowerment Services case management activities.

6.4.8.1 Permanent Hardship Exemptions

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

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

If a permanent hardship exemption has been approved, HACSB will reset the family's previous highest rent share (the "baseline rent") by recalculating the family's income and applying the applicable rent percentage. For example, for families participating in the Streamlined Fixed Lease Assistance for Elderly/Disabled Families program, the new monthly income will be multiplied by twenty-four percent (24%) or thirty percent (30%) depending upon the family's admissions date to determine the new monthly rent share. For families participating in the Streamlined Tiered Lease Assistance for Career-Focused Families program, the new monthly income will be multiplied by the most recent tiered rent percentage established at recertification to determine the new monthly rent share.

6.4.8.2 Temporary Hardship Exemptions

HACSB also recognizes that certain hardships may exist on a temporary basis. The temporary relief that HACSB will offer families depends on the type of hardship being experienced by the family. Families initially leasing under the Streamlined Lease Assistance program may qualify for a temporary hardship exemption upon verification the

³⁷ FY 2025 MTW Plan, Activity 22: Streamlined Lease Assistance describes the hardship review criteria and effective date.

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family has no household income. To be considered for a hardship exemption, a written request must be submitted to the Housing Authority. No more than one temporary hardship exemption request may be received within a 12-month period. The table below describes each type of temporary hardship exemption that may be approved by HACSB.

Temporary Hardship Reason	Temporary Hardship Exemption Relief
Unforeseen involuntary loss of employment; or unforeseen complete loss of income due to major illness as determined by a medical professional. Period of income loss must be anticipated to exceed 30 consecutive days following the date of receipt of the written request.	Family's income will be recalculated and for up to 6 months the family's rent will be based upon most recent percentage established at recertification or the minimum rent, whichever is higher. HACSB will provide a 30-day notice that the rent will revert to the previous rent amount at the end of the approved term. The family's income will not be re-reviewed until the next recertification. The exemption period can be extended up to six additional months if the length of the illness is longer than the initial term.
Significant medical expenses over \$2,500 for single medical event for Streamlined Fixed families only. <u>Health and</u> Medical expenses are defined as eligible medical and dental expenses under IRS Publication 502 in section 6.3.2.4.	Family's income will be recalculated at a 5% reduction to the fixed percentage and for 6 months the family's rent will be based upon that percentage or the minimum rent, whichever is higher.
Unforeseen involuntary permanent loss of income for an adult family member who is attending high school.	Family's income will be recalculated and for 6 months the family's rent will be based upon most recent percentage established at recertification or the minimum rent, whichever is higher. HACSB will provide a 60-day notice that the rent will revert to the previous rent amount at the end of the 6 months. The family's income will not be re-reviewed until the next recertification.

If the temporary hardship is due to loss of income, the income of the family member, who experienced the income loss, will be removed from the family income, and the rent amount will be based on the remaining family income. Because the family is not required to report interim income changes, the source of income to be removed under the hardship exemption may differ from the reported income change. At the end of the exemption period, the income that had been removed will be added back to the family income and will not be recalculated. If a recertification occurs during the hardship exemption period, the hardship exemption for the affected family member will remain until the end of the

approved hardship period. However, the income of other family members will be updated at recertification.

For example, the last reported income may have been self-employment of \$1,000 per month. However, since the last recertification the family member ended self-employment and started receiving a regular wage of \$2,000 per month. This interim change was not required to be reported by the family. Now, the family is reporting an unforeseen, involuntary loss of employment. The hardship exemption would remove the \$1,000 per month self-employment from the family income, and after six months the \$1,000 would be added back to the family income.

6.4.8.3 Pre-Implementation and Program Transfer Hardship Exemptions

Prior to implementation of the Streamlined Lease Assistance (SLA) programs and transfers to SLA from other programs, HACSB will conduct a detailed data analysis. As part of that data analysis, certain households may be likely to experience a disproportionate impact as the result of the implementation or program transfer. A temporary hardship exemption would allow the family to maintain their previous total family rent share for up to six (6) months. HACSB would send a sixty (60) day notice that the family would be subject to the new streamlined calculation at the end of six (6) months. For those families that are currently renting a unit that is larger than their approved subsidy standard HACSB will offer these families either the opportunity to move or the opportunity to have a temporary hardship exemption.

6.4.9 Calculation of Housing Authority Subsidy and Family Rent Share for Traditional, Regulatory Assistance for Special Purpose Programs

The family rent share for a household is determined by using the largest of the following: ten percent (10%) of Monthly Gross Annual Income, thirty percent (30%) of Monthly Adjusted Income or the applicable minimum rent. For the VASH, EHV and FSS programs, any amount of rent over the payment standard must be paid for by the family and cannot be subsidized by the Housing Authority. For Continuum of Care and Housing Opportunities for Persons with AIDs, the payment standard is not used to determine the Housing Assistance Payment (HAP) amount.

6.5 Minimum Rent [24 CFR 5.630 and 5.630]

6.5.1 Streamlined Lease Assistance and Family Self-Sufficiency Programs

The Minimum Rent for the Streamlined Lease Assistance program, including the Family Self-Sufficiency (FSS) Program is \$125.00.³⁸ A policy has been established for a temporary waiver from the minimum rent for families who demonstrate a hardship in paying the required minimum amount. Families may request a temporary waiver to the minimum rent by completing the Minimum Rent Waiver Request Form and providing documentation that supports the hardship for the family.

A temporary waiver of minimum rent may be granted as follows:

- Decrease in Income – The total household income has decreased due to a ‘No Fault’ loss of employment. Supporting documentation may include the notice of loss of employment, legal documentation indicating that family member with income has vacated the unit or other such documentation requested by HACSB.
- Death in the Immediate Family – The total household income has decreased due to the death of an immediate family member. Supporting documentation must include verification of the actual loss of income and verification of the relationship to the deceased family member. Immediate family members include current spouse, cohead, child, legal guardian, sibling, grandparent, grandchild, or mother-, father-, sister-, brother-, son-, or daughter-in-law, or registered domestic partner.

The waiver, if approved, shall be provided on a month-to-month basis not to exceed a total period of three months. A waiver will be provided only once for each incident that occurs in the household.

Upon approval of the waiver, the total tenant payment shall be calculated at 30% of monthly adjusted income and shall be effective on the first of the month following the month in which the family submitted the waiver request form with all supporting documentation.

A temporary waiver of the minimum rent will also be applied automatically to vulnerable individuals and families who are initially moving into a homeless serving program, such as Permanent Supportive Housing until the regularly scheduled recertification.³⁹ A family

³⁸ The FY 2009 Moving to Work Annual Plan included Activity 10: Minimum Rent which established a minimum rent of \$125 for all Housing Services programs except VASH, EHV, and Traditional, Regulatory Assistance for Special Purpose Programs.

³⁹ The FY 2022 Moving to Work Annual Plan modified Activity 10: Minimum Rent to allow HACSB to reduce or postpone the minimum rent for individuals in programs serving extremely vulnerable populations. The

granted the automatic waiver under a homeless serving program will not be required to repay the minimum rent. Starting with the first recertification, the minimum rent will increase to \$50, and at the second recertification, the minimum rent will be \$125.

6.5.2 Veterans Affairs Supportive Housing (VASH) and Emergency Housing Voucher (EHV) Programs

The minimum rent is \$50 for the VASH and EHV programs. A temporary waiver of the minimum rent will be applied automatically to homeless individuals at admission until the regularly scheduled recertification.⁴⁰ A family granted the automatic waiver under a homeless serving program will not be required to repay the minimum rent.

If a family is unable to pay the minimum rent because of financial hardship, the Housing Authority must grant an exemption from the minimum rent. To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent.

The financial hardship exemption applies only to families required to pay the minimum rent. If a family's rent share is higher than the minimum rent, the family is not eligible for a hardship exemption. If the Housing Authority determines that a hardship exists, the family share is the highest of the remaining components of the family's calculated rent share.

Financial hardship includes the following situations:

1. The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.
 - a. A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.
 - i. For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following: (1)

programs include Permanent Supportive Housing (PSH) project-based voucher developments, Family Unification Program, Foster Youth to Independence and No Child Left Unsheltered.

⁴⁰ The FY 2022 Moving to Work Annual Plan modified Activity 10: Minimum Rent to allow HACSB to reduce or postpone the minimum rent for individuals in programs serving extremely vulnerable populations.

7.5.6.2 Veterans Affairs Supportive Housing (VASH) Program⁵²

For post-HOTMA actions effective 10/1/2024 or as soon as practicable thereafter:

For the purposes of initial eligibility, the Housing Authority must accept self-certification by the family that the family's total assets are equal to or less than \$50,000, adjusted annually for inflation, and that the family does not have any present ownership interest in real estate, without taking additional steps to verify. The family's assets and asset income will be used to determine if the family exceeds the asset limit (adjusted annually by HUD) or the income limit threshold but will not be included for purposes of calculating total annual income or family rent share. If the family's assets exceed \$50,000, asset value and income generally will be verified by two consecutive months' statements. Following program admission, the Housing Authority will not verify assets.

For pre-HOTMA actions effective prior to the enactment of post-HOTMA provisions above:

For the purposes of initial eligibility, the Housing Authority must accept self-certification by the family that the family's total assets are equal to or less than \$50,000, adjusted annually for inflation. These assets and asset income will be used to determine if the family exceeds the income limit threshold but will not be included for purposes of calculating total annual income or family rent share. If the family's assets exceed \$50,000, asset income generally will be verified by two consecutive months' statements. Following program admission, the Housing Authority will not verify assets.

7.5.6.3 Traditional, Regulatory Assistance for Special Purpose Programs

This section does not apply to participants of the Veterans Affairs Supportive Housing (VASH), Emergency Housing Voucher, and Family Self-Sufficiency programs (see 7.5.6.1 and 7.5.6.2).

For post-HOTMA actions effective 10/1/2024 or as soon as practicable thereafter:

To determine initial eligibility, the cash value of the family's total net assets cannot exceed the current asset limit. The limit is adjusted annually by HUD.

⁵² Section 8 Housing Choice Vouchers: Revised Implementation of the HUD-Veterans Affairs Supportive Housing Program, Rules and Regulations published August 13, 2024

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Asset income is included in the annual income calculation for initial eligibility and at recertification, and asset income is used to determine family rent share. Assets and asset income are generally verified by two consecutive months' statements.

For pre-HOTMA actions effective prior to the enactment of post-HOTMA provisions above:

Asset ~~incomes are~~ is included in the annual income calculation for initial eligibility and recertifications and ~~is~~ are used to determine family rent share. Net assets ~~is~~ income in excess of \$5,000 generally will be verified by two consecutive months' statements. Per Notice PIH 2013-26 the Housing Authority will accept a family's self-certification of asset income ~~for if the family's total net~~ assets are equal to or of less than \$5,000.

7.5.6.4 Assets Disposed of for Less than Fair Market Value

The Housing Authority is also required to verify assets disposed of for less than fair market value. The Housing Authority will require the family to certify whether any assets have been disposed of for less than fair market value in the preceding two (2) years. The Housing Authority needs to verify only those certifications that warrant documentation and as a result will verify the value of assets disposed of only if:

- The Housing Authority does not already have a reasonable estimation of its value from previously collected information, or
- The amount reported by the family in the certification appears obviously in error.

7.5.7 Net Income from Rental Property

For post-HOTMA actions effective 10/1/2024 or as soon as practicable thereafter:

Applicants may not own real property suitable for occupancy by the family. In cases, where the family owns rental property but continues to be eligible for assistance, the net income from the rental property will be verified and included in annual income.

For actions effective pre- and post-HOTMA, families with income from rental property must provide:

- A current executed lease for the property that shows the rental amount or certification from the current tenant
- A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, the

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Housing Authority will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

7.5.8 Student Financial Assistance [24 CFR 5.609 and FR 4/10/06]

Chapter 6 details the amount of student financial assistance that is included or excluded from annual income. Excluded amounts are verified only if, without verification, the Housing Authority would not be able to determine whether or to what extent the income is to be excluded.

For a student subject to having a portion of his/her student financial assistance included in annual income in accordance with 24 CFR 5.609, the Housing Authority will request written third-party verification of both the source and the amount. Family-provided documents from the educational institution attended by the student will be requested, as well as documents generated by any other person or entity providing such assistance, as reported by the student. In addition, the Housing Authority will request written verification of the student's tuition and any other required fees and charges.

If the Housing Authority is unable to obtain third-party written verification of the requested information, the Housing Authority will pursue other forms of verification following the verification hierarchy described in this Chapter.

7.5.9 Parental Income of Students Subject to Eligibility Restrictions [24 CFR 5.612 and FR 4/10/06, p. 18146]

If a student enrolled at an institution of higher education is under the age of twenty-four (24), is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving Housing Services program assistance as of November 30, 2005, the income of the student's parents must be considered when determining income eligibility, unless the student is determined independent from his or her parents. This provision does not apply to students residing with parents who are seeking or receiving Housing Services program assistance. It is limited to students who are seeking or receiving assistance on their own, separately from their parents.

The following documentation serves as acceptable verification of a student's independence from their parents:

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- Most recent tax return filed by the student indicating that no other person is claiming the student as a dependent; or
- Financial aid documents demonstrating that the student's parents are not contributing.

If the Housing Authority is required to determine the income eligibility of a student's parents, the Housing Authority will request an income declaration and certification of income from the appropriate parent(s). The Housing Authority will send the request directly to the parents, who will be required to certify to their income under penalty of perjury. The parents will be required to submit the information directly to the Housing Authority.

The Housing Authority reserves the right to request and review supporting documentation at any time if it questions the declaration or certification. Supporting documentation may include, but is not limited to, Internal Revenue Service (IRS) tax returns, consecutive and original pay stubs, bank statements, pension benefit statements, benefit award letters, and other official and authentic documents from a federal, state, or local agency.

7.6 Verifying Certain Program Eligibility Criteria

Each of the Housing Services programs has unique eligibility criteria for participation. This section highlights how the Housing Authority will verify key program qualifying criteria.

7.6.1 Term-Limited Lease Assistance Program

The Housing Authority will verify that the head, spouse, or cohead is not fifty-seven (57) years of age or older or a person with disabilities. Only applicants admitted after January 1, 2012 are eligible for Term-Limited Lease Assistance (TLA). Effective November 1, 2017, career-able incoming portability families, project-based families exercising mobility, and non-RAD legacy families exercising mobility are assigned to the TLA program

7.6.2 Streamlined Fixed Lease Assistance Program for Elderly/Disabled

The Housing Authority will verify that the head, spouse, or cohead is fifty-seven (57) years of age or older or a person with disabilities. Only applicants admitted after November 1, 2014, incoming portability families, project-based applicants and existing qualifying participants are eligible for Streamlined Fixed Lease Assistance.

7.6.3 Streamlined Tiered Lease Assistance Program for Career Focused Families

The Housing Authority will verify that the head, spouse, or cohead is not fifty-seven (57) years of age or older or a person with disabilities. Only project-based applicants and existing tenant-based or project-based participants that are not already on the Term-

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In the event the Housing Authority does not have sufficient budget authority to support issued Family Obligations Agreements and/or Vouchers, the Housing Authority may recall the family. If the family is recalled, the Housing Authority will return the family to the waiting list to await new eligibility when funds become available.

For most programs except for those listed below, the Family Obligations Agreement and Voucher are valid for a period of sixty (60) calendar days from the date of issuance or ninety (90) calendar days if family is moving due to abatement. The family must submit a Request For Tenancy Approval (RFTA) within the initial term or approved extension. When a Request for Tenancy Approval is received, the term of the voucher will be suspended while the Housing Authority processes the request.

8.6.1 Family Obligations Agreement Term Under Term-Limited Program Moves

If a participant under a term-limited program requests a voucher to move, the voucher may be issued for a shorter period if the family's participation is scheduled to end soon. The voucher and any extensions will expire one month prior to termination of assistance. For example, if a term-limited family's assistance is ending October 31, 2024, and the family is issued a voucher to move on August 12, 2024. The voucher will expire September 30, 2024. Regardless of the term of the voucher, the Housing Authority may not enter into a HAP contract after a 30-day termination notice has been issued.

8.6.2 Veterans Affairs Supportive Housing (VASH) and Emergency Housing Voucher Programs

The initial search term for a HUD-VASH and an EHV will be 120 days. Any extensions beyond the initial term must meet the requirements of Section 8.6.4.

8.6.3 Mainstream Voucher Program—~~[Notice PIH 2024-30], Foster Youth to Independence (FYI) and Family Unification Program (FUP) [Notice PIH 2024-30 & Notice PIH 2025-08]~~

The initial search term for a Mainstream Voucher, ~~FYI, and FUP~~ will be 120 days. During the initial term, the Housing Authority will notify the family of the expiration date, the process for requesting an extension, and to inquire if the family needs assistance with the housing search. The extension policy in Section 8.6.4 does not apply to the Mainstream, ~~FYI and FUP, Voucher Program~~. The Housing Authority will grant one ninety (90) day extension if a verbal or written extension request is received on or before the expiration date. No documentation is needed for the family to qualify for the ninety (90) day extension. Additional extensions may be approved as a reasonable accommodation.

9.6.2 Veterans Affairs Supportive Housing (VASH) Program

Initial leases under the VASH program may be less than 12 months.⁵⁷ The Housing Authority is not required to independently determine that a shorter term would improve housing opportunities or is the prevailing market practice.

9.6.3 Local Disaster Short-Term Rental Assistance Program

The initial term of the assisted dwelling lease generally may be for less than one (1) year and match the term of the contract executed between the Housing Authority and the owner.

9.6.4 Family Unification Program/Foster Youth to Independence

The initial term of the assisted dwelling lease generally may be for less than one (1) year and match the term of the contract executed between the Housing Authority and the owner.

9.6.5 Emergency Housing Voucher Program

The initial lease term will be for one (1) year unless the landlord's standard practice is to offer a shorter lease term.

9.7 Prohibition Against Side Payments [24 CFR 982.451(b)(4) and 982.501(c)]

Owners may not demand or accept any rent payment from the family in excess of the rent to the owner minus the Housing Authority's payments to the owner. The owner may not charge the tenant extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited. Dwelling units that have additional items, appliances or other services may be considered amenities offered by the owner and may be taken into consideration when determining the reasonableness of the rent for the property.

9.8 Initial Inspections [24 CFR 982.305 and 24 CFR 982.401]

All units are required to pass initial inspection prior to contract execution between the Housing Authority and the owner. Information on inspection standards is included in Chapter 10.

⁵⁷ Section 8 Housing Choice Vouchers: Revised Implementation of the HUD-Veterans Affairs Supportive Housing Program, Rules and Regulations published August 13, 2024

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will consider whether the bathroom and/or kitchen is private or shared. When these facilities are private versus shared, HACSB may provide additional consideration when determining the reasonable rent.

11.4 Payment Acceptance and Certification

Owners will be advised that by accepting each monthly payment from the Housing Authority s/he will be certifying that the rent to owner is not more than rent charged by owner for comparable unassisted units in the premises. If requested, the owner must provide to the Housing Authority information on rents charged by the owner for other units in the premises or elsewhere. The Housing Authority will only request information on the owner's units elsewhere if the Housing Authority has cause to demonstrate that the owner has a tendency to charge higher rents to program participants or if needed for rent reasonableness comparables.

11.5 Payment Standards for the Housing Services Program [24 CFR 982.4]

The payment standard is used to calculate the housing assistance payment for a family. *Payment standard* is defined as "the maximum monthly assistance payment for a family assisted in the program (before deducting the total tenant payment by the family)."

The payment standard for a family is the lower of (1) the payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under the Housing Authority's subsidy standards or (2) the payment standard for the size of the dwelling unit rented by the family. The payment standard for space rent is equal to the family unit size under the subsidy standards.

11.5.1 Term-Limited Lease Assistance, Streamlined Lease Assistance, Veterans Affairs Supportive Housing (VASH), Emergency Housing Voucher (EHV) and Family Self-Sufficiency Programs

This section applies to new admissions and changes of unit or payment standard⁶⁰ under the Veterans Affairs Supportive Housing (VASH) program effective January 1, 2021, or as soon as practicable thereafter.

The Housing Authority has established a comprehensive payment standard schedule that is based on rental submarkets in the County of San Bernardino.⁶¹

⁶⁰ In CY 2025, VASH participants were transferred from the Special Purpose Voucher Programs Payment Standards to the Local Payment Standards except for participants whose tenant rent share would increase.

⁶¹ The FY 2009 Moving to Work Annual Plan including Activity 12: Local Payment Standards which authorized the creation of local payment standards for the County of San Bernardino.

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At least annually, the Housing Authority will review the local payment standards. The agency may subsequently increase or decrease the payment standards. Payment standard increases will be applied at the earliest of the participant's first recertification, move to another unit, or subsidy standard change following the payment standard increase.⁶² However, an increase to the Local Payment Standards will not be automatically applied at recertification if the participant has leased a unit that is larger than their approved voucher subsidy size ("over-housed" participants). Increases to the Local Payment Standards will apply to over-housed participants only if a rent increase is requested by the landlord and approved in accordance with HACSB's rent reasonableness policies.

Before increasing the payment standard, the Housing Authority may review the budget to determine the impact projected subsidy increases would have on funding available for the program and the number of families served. For this purpose, the Housing Authority will compare the number of families who could be served under a higher payment standard with the number assisted under current payment standards.

If the payment standard is reduced, the payment standard will remain unchanged for families that are under HAP contract when the payment standard reduction occurred. However, if a change to the household size results in a reduction to the family's subsidy standard unit size, the payment standard for the appropriate subsidy standard unit size will apply at the earliest of the first recertification or move to another unit following the subsidy standard change.

An exception payment standard may be approved if necessary, as a reasonable accommodation for a family that includes a person with disabilities per Notice PIH 2013-26. The Housing Authority may approve an exception payment standard up to 120 percent of Fair Market Rent (FMR) or up to 140 percent of the FMR for the VASH program.⁶³ HUD approval is required for an exception payment standard above 120 percent of FMR or 140 percent of FMR for the VASH program.

⁶² FY 2025 Moving to Work Plan includes Activity 12, Local Payment Standards and Alternative Flat Rents which specifies when payment standard increases are applied.

⁶³ Section 8 Housing Choice Vouchers: Revised Implementation of the HUD-Veterans Affairs Supportive Housing Program, Rules and Regulations published August 13, 2024

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11.5.2 Traditional, Regulatory Assistance for Special Purpose Programs

This section does not apply to participants of the Veterans Affairs Supportive Housing (VASH) program new admissions, moves, or changes of payment standard⁶⁴ effective on or after January 1, 2021 (see 11.5.1) or the Emergency Housing Voucher Program.

For participants in Traditional, Regulatory Assistance for Special Purpose Programs the payment standard schedule is based on HUD's Fair Market Rents (FMRs) and is updated annually.

11.5.2.1 Veterans Affairs Supportive Housing (VASH) Program

Increases in the payment standard will be applied at the earliest of the participant's:

- Next recertification or interim reexamination;
- Rent increase; or
- One year following the effective date of a payment standard increase.

Decreases in the payment standard will be applied at the participant's second annual recertification after the effective date of the decrease. An exception payment standard of up to 140% of FMR may be approved by the Housing Authority as a reasonable accommodation.

11.5.2.2 Continuum of Care Program

For a contract rent approved prior to July 1, 2025, the gross rent may exceed the FMR for the family's authorized unit size based on the subsidy standard. However, rent increases received after July 1, 2025 may not be approved if the gross rent exceeds the FMR.

Effective July 1, 2025, the gross rent of the unit must be equal to or less than the FMR for family's authorized unit size based on the subsidy standard subject to available funding. A gross rent exceeding the FMR may be approved on a case-by-case basis, such as for a reasonable accommodation, if available funding will support a higher rent. The rent for the unit must also be rent reasonable.

11.5.2.3 Housing Opportunities for Persons with AIDS (HOPWA)

For the HOPWA program, the gross rent of the unit must be equal to or less than the payment standard for family's authorized unit size, and the requested rent must be rent

⁶⁴ In CY 2025, VASH participants were transferred from the Special Purpose Voucher Programs Payment Standards to the Local Payment Standards except for participants whose tenant rent share would increase.

reasonable. On a case-by-case basis, the Housing Authority may approve rent amounts up to 120% of the payment standard for no more than 10% of the units.

11.5.3 Shared Housing

The payment standard for a family in shared housing is the lower of the applicable program's payment standard for the family unit size or the pro-rata share of the program's payment standard for the shared housing unit size. The pro-rata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private, non-shared space by the total number of bedrooms in the unit.

Example: Household contains 3 people and is issued a 2-bedroom FOA/voucher. The shared housing unit is a 3-bedroom and the family will be occupying 2 bedrooms:

- 2 Bedrooms for assisted family ÷ 3 Bedrooms in the unit .667 pro-rata share
- 2 BR payment standard: \$1,200
- 3 BR payment standard: \$1,695
- $\$1,695 \times .667$ (pro-rata share) = \$1,131
- \$1,131 is lower than the \$1,200 payment standard for the 2 BR family unit size
- \$1,131 is the payment standard used to calculate the HAP

11.5.4 Emergency Housing Voucher Program

For the Emergency Housing Voucher program, a separate payment standard schedule is used. HUD permits the Housing Authority to use the local payment standard or 120% of FMR, whichever is higher. The EHV schedule groups the nine (9) local submarkets into larger regions. The highest local submarket payment standard will be used for the entire region. As changes in market rents permit, the Housing Authority may transition from payment standards grouped by regions to the nine (9) submarkets used by the local payment standards.

11.6 Rent to Owner Increases

As stated in the Tenancy Addendum, the owner must notify the Housing Authority at least sixty (60) days, or a greater notice period if required by law, before the proposed effective date of any intended rent increase. The tenant must be notified in writing, and a copy of the written notice to the tenant must be submitted to the Housing Authority.

As authorized by the contract between the Housing Authority and the owner, the Housing Authority will not approve a rent increase if the contract is in abatement for owner-related inspection deficiencies. In accordance with the Tenancy Addendum and the contract, the Housing Authority will disapprove requests made during the initial term of a lease.

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If any new family member is approved to be added, the income of the new family member will be added to the household. The Housing Authority will conduct an interim recertification to determine such additional income and will make the appropriate adjustments in the housing payment. For household size reductions, changes to the subsidy standard will occur at the next regularly scheduled recertification. Generally, household size increases will not result in changes to the subsidy standard unless the household addition was the result of a birth, adoption or court-awarded custody. If the increase in subsidy standard is due to birth, adoption or court-awarded custody, HACSB will update the family's voucher size to reflect the change in family composition at interim reexamination.

12.8.2 Changes in Income⁶⁹

Families must report all changes in income in accordance with the policies outlined in this section. Upon receipt of an interim change, the Housing Authority will conduct an interim reexamination, ~~if required,~~ within a reasonable time if required by the program. Reasonable processing may vary based on the amount of time it takes to verify information, but generally should not be longer than 30 days after the family reports changes in income to the Housing Authority.

12.8.2.1 Term-Limited Lease Assistance and Streamlined Lease Assistance programs

The Housing Authority will not process any interim recertifications due to changes in income for participants in the Term-Limited Lease Assistance or Streamlined Lease Assistance programs. Thus, families are only required to report income changes at recertification. Families may request a hardship exemption under certain circumstances as described in Chapter 6.

12.8.2.2 Emergency Housing Voucher Program

The Housing Authority will not process an interim reexamination due to an increase in annual adjusted income.⁷⁰ Thus, EHV families are only required to report income changes at recertification but may report income reductions at any time. However, the Housing Authority will process an income increase if the EHV participant requests the income adjustment in order to meet the 40% affordability threshold required during a move.

⁶⁹ Each Housing Services Program has different interim recertification criteria based on the Housing Authority's policy and MTW authorization.

⁷⁰ HACSB's MTW Plan, Activity 4: Biennial and Triennial Recertifications states that interim increases will not be process. Activity 4 applies to VASH and EHV programs except that interim reexaminations will be performed for interim decreases.

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The Housing Authority will process all interim reductions in annual adjusted income that are requested by the family regardless of the amount. The Housing Authority will also process an interim income increase if the EHV participant requests the income adjustment in order to meet the 40% affordability threshold required during a move.

12.8.2.3 Traditional, Regulatory Assistance for Special Purpose Programs and Family Self-Sufficiency (FSS) Program

This section applies to participants of the Veterans Affairs Supportive Housing (VASH).

For post-HOTMA interim changes effective after 10/1/2024 or as soon as practicable thereafter:

The family must report any changes in income. The Housing Authority will process all interim reductions in annual adjusted income that are requested by the family regardless of the amount.

The Housing Authority will decline to process an interim reexamination of annual adjusted income and rent that is due to an increase in earned income regardless of whether the family had a previous interim decrease. Also, the Housing Authority will not process interim changes due to increased unearned income resulting in an adjusted income change of less than 10%. Earned income is not considered when estimating whether the family's adjusted income has increased. Additionally, interim increases will not be processed within three months of the effective date of the next reexamination.

Below is an example on how to determine if an interim must be performed due to an increase in unearned income of 10% or more:

Previous adjusted income:
Unearned income: \$6,000
Earned income: \$12,000
Deductions: \$500
Total adjusted income: \$17,500
Adjusted income (excluding earned income): \$5,500
10% of adjusted income (excluding earned income): \$550
Adjusted income threshold: \$6,050

Current adjusted income:
Unearned income: \$8,000
Earned income: \$14,000
Deductions: \$500
Total adjusted income: \$ 21,500

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Adjusted income (excluding earned income): \$7,500

The current adjusted income of \$7,500 exceeds the 10% adjusted income threshold of \$6,050, so an interim will be processed.

The income included in the interim reexamination is:

Unearned income: \$8,000

Earned income \$12,000

Deductions: \$500

Adjusted income used to calculate new tenant rent portion: \$19,500

The Housing Authority will schedule an interim recertification for each zero-income family every ninety (90) days. However, if a family reports an income increase but the income cannot be included in an interim reexamination, the Housing Authority will discontinue zero-income reviews for the family.

For pre-HOTMA interim changes reported prior to the enactment of post-HOTMA provisions above:

The family must report any changes in income. However, if there is an increase in income of less than \$300 per month the Housing Authority will not process the interim recertification, unless there is a change in the income source, although the documentation will be notated in the participant's file. Any decreases in income will be processed.

If changes are not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered a violation of family obligations and assistance may be terminated.

The Housing Authority will schedule an interim recertification for each zero-income family every ninety (90) days.

12.8.3 Housing Authority Reviews

The Housing Authority, at its discretion, can schedule reviews in between regularly scheduled reviews to determine if an interim recertification is required. If the Housing Authority makes a calculation error at admission to the program or at recertification, an interim recertification may be conducted, if necessary, to correct the error. If the error resulted in the family being undercharged, the family will be provided with a 30-day notice, and the family will not be charged retroactively or be required to repay the Housing Authority. If the error resulted in the family being overcharged, the interim recertification

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The Housing Authority must continue making payments to the owner in accordance with the contract as long as the tenant continues to occupy the unit and the contract is not violated. By accepting the monthly payment from the Housing Authority, the owner certifies that:

- The tenant is still in the unit;
- The rent is reasonable, and;
- The owner is in compliance with the contract.

If an eviction is not due to a serious or repeated violation of the lease, and if the Housing Authority has no other grounds for termination of assistance, the Housing Authority may permit the family to move with continued assistance.

14.3 Termination of the Contract by the Housing Authority [24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]

The term of the contract is the same as the term of the lease. The contract between the owner and the Housing Authority may be terminated by the Housing Authority, or by the owner or tenant by termination of the lease. The contract between the owner and the Housing Authority terminates for the following reasons:

- When the lease between the participant and the owner terminates
- When the Housing Authority terminates program assistance for the family (including the term of participation expiration for Term-Limited Lease Assistance families, Local Disaster Short-Term Rental Assistance Program families, Foster Youth to Independence and Family Unification Program families)
- When the owner has breached the contract
- When the family moves from the unit or is absent from the unit for longer than one-hundred and eighty (180) days
- One –hundred and eighty (180) days have passed since the last payment to the owner
- The Annual Contributions Contract (ACC) between the Housing Authority and HUD expires

The Housing Authority may elect to terminate the contract for the following reasons:

1. Available program funding is not sufficient to support continued assistance for families in the program [24 CFR 982.454];

2. The unit does not meet occupancy standards due to change in family composition [24 CFR 982.403]
3. The unit does not meet inspection standards [24 CFR 982.404]
4. The family breaks up [HUD Form 52641]
5. Landlord does not meet eligibility criteria

14.3.1 Term-Limited Lease Assistance Program

In addition to the above-described reasons, the Housing Authority also may terminate the contract if a participant in the Term-Limited Lease Assistance program has income over 80% of the area median income on or before March 31, 2022 or the family has reached its five year term of participation.

14.3.2 Streamlined Lease Assistance Programs

In addition to the above-described reasons, the Housing Authority also may terminate the contract if a participant in the Streamlined Lease Assistance has income over eighty percent (80%) of the area median income.⁷⁴

14.3.3 Contract Termination Terms

No future subsidy payments on behalf of the family will be made by the Housing Authority to the owner after the month in which the contract is terminated. The owner must reimburse the Housing Authority for any subsidies paid by the Housing Authority for any period after the contract termination date. Any amounts owed to the Housing Authority may be collected through any means allowable under federal, state or local laws. For more information, see Chapter 18.

When the Housing Authority terminates the contract under violation of occupancy standards, the Housing Authority will provide the owner and family written notice of termination of the contract, and the contract terminates at the end of the calendar month that follows the calendar month in which the Housing Authority gives such notice to the owner.

When a family moves out of an assisted unit, the Housing Authority may not make any housing assistance payment to the owner for any month after the month the family moves out. The owner may keep the housing assistance payment for the month when the family

⁷⁴ The FY 2014 Moving to Work Annual Plan included Activity 24: Transition for Over-Income Public Housing and Housing Choice Voucher Families. The FY 2022 Moving to Work Annual Plan modified Activity 24 to exempt participants on the Term-Limited Lease Assistance Program for the over-income requirement.

business days from the date the request is received. The informal review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person. The review may be conducted by a Housing Authority staff person.

The applicant will be given the option of presenting oral or written objections to the decision. Both the Housing Authority and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense. A notice of the review findings will be provided in writing to the applicant within ten (10) business days after the review. It shall include the decision of the review officers, and an explanation of the reasons for decision. All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

If the family fails to appear or provide objections for their informal review, the denial of admission will stand and the family will be so notified.

15.7 Homeless Serving Special Purpose Programs – Program Reviews

Applicant families denied admission to a special program serving homeless or at-risk families (i.e. No Child Left Unsheltered, Foster Youth to Independence, Family Unification Program or Permanent Supportive Housing Communities), due to the criminal history background of an adult household member, will be recommended for a review by the Compliance and Admissions unit.

The items necessary for review and consideration will include, but are not limited to:

- Proof of rehabilitation; which can be demonstrated by a variety of ways, including program certifications, current enrollment in rehabilitation programs, time served, etc.
- Credible letters of reference on a company/agency letterhead
- Credible letters of reference from a supportive services agency letterhead
- Documentation from parole/probation officer
- Letter signed by supportive service provider and applicant indicating that the provider will work with the applicant to clear the items on the applicant's record.

15.8 Violence Against Women Act

15.8.1 Introduction

The Violence against Women Reauthorization Act of 2022 (VAWA 2022) prohibits denial of admission to an otherwise qualified applicant on the basis that the applicant is or has

16.2.2.2.1 Term of Assistance

The term of assistance shall begin on the initial lease date and shall not exceed two (2) years.

16.2.2.3 Family Unification Program (FUP)/Foster Youth to Independence (FYI)

In addition to the above-described reasons, the Housing Authority will terminate the contract if a participant admitted as a FUP-eligible youth or to the FYI program has reached its term of participation. After the FUP-eligible youth or FYI participant has exhausted all extensions, there is no appeal to the expiration of assistance.

16.2.2.3.1 Term of Assistance

The term of assistance for FYI participants and FUP-Youth shall begin on the initial lease date. The term shall be 36 months. However, the participant may qualify for two 1-year extensions for a maximum of 60 months of assistance. An automatic extension will be provided if the FYI participant or FUP-Youth is an active participant in the Family Self-Sufficiency (FSS) program at the end of the participant's term or subsequent extension.

If the participant is on the FSS waiting list and a program slot has not been offered by the participant's 36th month, the participant may request a 1-year extension if the participant is:

1. Engaged in education (at least six credits a semester),
2. Enrolled in a professional certificate program or apprenticeship, and/or
3. Working at least 20 hours per week.

The participant must be engaged in at least one of the above activities for at least 9 months of the 12-month period preceding the extension. A combination of the above activities is allowed. For example, a participant may have gone to school for 5 months and subsequently worked part-time for 4 months. Also, if the participant has not met the 9-month minimum when the extension request is verified, the participant may document that they will meet the 9-month requirement before the end of the current term of assistance.

Exceptions may be made to minimum course credits or work hours for documented circumstances beyond the control of the participant. For example, a participant may have been unable to enroll in enough classes due to a lack of course offerings. If a participant's work hours are reduced due to no fault of their own, illness or family emergency, an exception may be made. However, the Housing Authority cannot waive the requirement

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that the activities lasted for at least 9 months of the 12-month period preceding the extension.

When work hours cannot be verified due to self-employment or stipend, the minimum earnings must be minimum wage multiplied by 20 hours per week. Documentation will be required to verify that the participant has met the minimum criteria. If the participant had been offered an FSS slot but turned it down, the extension request will be denied.

A participant may also qualify for an extension for one of the following statutory exceptions if the head of household is:

1. Responsible for the care of dependent child under the age of 6 or for the care of an incapacitated individual. The child or incapacitated person does not need to reside in the household;
2. Actively participating in a drug addiction or alcohol treatment and rehabilitation program; or
3. Incapable of complying with the FSS participation requirement or engaging in education, workforce, or employment activities due to a documented medical condition.

A self-certification will be used to confirm the participant meets one of the statutory exceptions. If the participant turned down an FSS slot but meets a statutory exception, the participant is eligible for an extension.

16.2.2.4 Emergency Housing Voucher (EHV) Program

~~The EHV program is funded through September 30, 2030.~~ In addition to the above-described reasons, the Housing Authority will terminate ~~the EHV~~ assistance ~~if when~~ funding for the EHV program ~~is not extended or is exhausted~~ HUD does not provide ~~alternative funding to continue rental assistance.~~

16.2.3 Consideration of Circumstances [24 CFR 982.552]

HUD permits the Housing Authority to consider relevant circumstances when deciding whether to deny admission or terminate assistance for the criminal activity described in this chapter. The Housing Authority will use the concept of the preponderance of the evidence as the standard for making all admission and/or termination decisions. Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.

16.4 Termination Due to Insufficient Funds

The Housing Authority may terminate assistance, deny/revoke a voucher or deny portability if the Authority has insufficient funds to continue to assist the household. In the event of insufficient funds, assistance will be denied/terminated in the following order:

1. Eligible applicants (not yet issued vouchers) will be placed on hold or returned to the waiting list.
2. New voucher holders will be placed on hold or returned to the waiting list.
3. Current participants will be randomly selected within the following categories, starting with the first category below. If elimination of all participants within the first category does not yield sufficient results, participants in the next category will be randomly selected, and so forth until the Authority has a balanced budget:
 - a. Single Individuals (non-elderly and non-disabled)
 - b. Families with no children under the age of 18 and no elderly or disabled household members
 - c. Families with children under the age of 18 with no elderly or disabled household members
 - d. All remaining households

If a participant is terminated due to insufficient funds and the household is in good standing, the participant will be placed at the top of the Housing Authority's waiting list for the same program if the program remains active. However, the family must meet program eligibility requirements upon program re-admission.

16.5 Notice of Termination of Assistance

In any case where the Housing Authority decides to terminate assistance to the family, the Housing Authority must give the family written notice which states:

- The reason(s) for the proposed termination;
- The effective date of the proposed termination;
- The family's right, if they disagree, to request an informal hearing to be held before termination of assistance; and
- The date by which a request for an informal hearing must be received by the Housing Authority. Informal hearing requests must be made in writing and received within ten (10) business days of the date on the letter.

In most cases, the Notice of Termination will be addressed to the head of household. However, if the reason for the termination involves a cohead, spouse or other household

The Housing Authority may also offer participants the opportunity for a telephone or in-person discussion of any concerns prior to the informal hearing. During this discussion the Housing Authority will again communicate to the participant their opportunity to request an informal hearing for the above-described circumstances.

16.7.1 Reasons an Informal Hearing is Not Required

Circumstances for which an informal hearing is not required are as follows:

- Discretionary administrative determinations by the Housing Authority, including Housing Services Program type determinations
- General policy issues or class grievances
- Establishment of the Housing Authority schedule of utility allowances
- A Housing Authority determination not to approve an extension or suspension of a voucher or family obligations agreement term
- A Housing Authority determination not to approve a unit or tenancy
- A Housing Authority determination that a unit selected by the applicant is not in compliance with inspection standards
- A Housing Authority determination that the unit is not in accordance with occupancy standards because of family size
- A determination by the Housing Authority to exercise or not to exercise any right or remedy against an owner under a contract
- Termination of assistance due to insufficient funds

The Housing Authority will only offer participants the opportunity for an informal hearing when required to by the regulations.

16.7.2 Notice of Informal Hearing Policies to Participants [24 CFR 982.555(c)]

When the Housing Authority makes a decision that is subject to informal hearing procedures, the Housing Authority must inform the family of its right to an informal hearing at the same time that it informs the family of the decision.

For decisions related to the family's annual or adjusted income, the determination of the appropriate utility allowance, and the determination of the family unit size, the Housing Authority must notify the family that they may ask for an explanation of the basis of the determination, and that if they do not agree with the decision, they may request an informal hearing on the decision.

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For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to the Housing Authority's subsidy standards, the notice must contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision, the family may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

In cases where the Housing Authority makes a decision for which an informal hearing must be offered, the notice to the family will include all of the following:

- The proposed action or decision of the Housing Authority;
- A brief statement of the reasons for the decision;
- The date the proposed action will take place;
- A statement of the family's right to an explanation of the basis for the Housing Authority's decision;
- A statement that if the family does not agree with the decision the family may request an informal hearing of the decision;
- A deadline for the family to request the informal hearing;
- To whom the hearing request should be addressed; and
- A copy of the Housing Authority's hearing procedures.

16.7.3 Pre-Hearing Appointment

If the participant requests an information hearing, the Housing Authority may also offer require the participants to participate in a pre-hearing appointment. The purpose of the pre-hearing is to determine if further review or reversal of the termination action is advisable due to a disability related need, potential VAWA situation, or new evidence. the opportunity for a telephone or in-person discussion of any concerns prior to the informal hearing. During this pre-hearing discussion the Housing Authority will again communicate to the participant their opportunity right to request an proceed with an informal hearing if the termination is not being reversed.

16.7.34 Notice of Scheduled Informal Hearing to Participant [24 CFR 982.555(d)]

The Housing Authority may conduct informal hearings in-person or remotely. Remote methods may include use of mail, electronic mail, telephone, and/or video call. When deciding which method or combination of methods to use, the Housing Authority will consider accessibility of LEP individuals and persons with disabilities. When the Housing Authority receives a written request for an informal hearing, a hearing shall be scheduled. The notification of hearing will contain:

participants who are referred to the waiting list by DBH. Ten (10) units are reserved for IEHP referrals.

Las Terrazas provides nine (9) units for homeless individuals under 20% AMI. CES is utilized for referrals to the property's waitlist. CES prioritizes referrals in the following order: (1) chronically homeless, (2) currently homeless, and (3) at-risk of chronic homelessness. Supportive services and case management are provided by DBH or a contractor.

20.7.3 Owner-Maintained Waiting Lists for Project-Based Voucher Units [24 CFR 983.251(c)(7)]

The Housing Authority may permit owners of PBV-assisted properties to manage their own waiting lists for their specific PBV projects. Under an owner-maintained PBV waiting list, the owner is responsible for carrying out waiting list responsibilities in accordance with HACSB requirements.

20.7.3.1 Approval of Owner Waiting List Policies

Owners permitted to maintain a PBV waiting list must submit a written Owner Waiting List Policy to the Housing Authority for review and approval. The policy must include:

- Procedures for managing the waiting list, including application intake, updating applicant information, and removing applicants;
- Policies for opening and closing the waiting list, including providing public notice as required by 24 CFR 982.206;
- Selection procedures, including the use of local preferences;

20.7.3.2 Project Approval

The Housing Authority will review ~~the~~ submitted Owner Waiting List Policy to ensure compliance with all applicable federal regulations and local administrative requirements. Only after approval is granted may the owner implement and operate an owner-maintained waiting list. The Housing Authority will identify and maintain a list of PBV projects that have been approved for owner-maintained waiting lists.

20.7.3.3 Waiting List Application Process

Applicants may apply directly at the PBV property with an owner-maintained waiting list. The housing Authority will provide applicants with a list of PBV properties with owner-maintained waiting lists, including project contact details and relevant information.

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20.7.3.4 Eligibility and Selection [24 CFR 982.554(a)]

At the discretion of the Housing Authority, owners may be permitted to make preliminary preference determinations for the purpose of placing families on their waiting lists. If the owner determines that an applicant does not qualify for a preference, the owner is responsible for issuing a written notice that complies with federal regulations.

Once an applicant is selected from the waiting list, the owner will conduct initial eligibility, and the family must be referred to the Housing Authority for final PBV program eligibility determination before a unit offer is made.

20.7.3.5 Public Notice Requirements [24 CFR 982.206]

Owners are responsible for coordinating with the Housing Authority prior to opening or closing their waiting list in order to issue public notice, in compliance with federal regulation and their approved Owner Waiting List Policy.

20.7.3.6 Oversight and Compliance [24 CFR 982.158]

The Housing Authority retains full oversight responsibility to ensure that owner-maintained waiting lists are administered properly and in accordance with all applicable federal and local administrative requirements. The Housing Authority will conduct periodic audits, file reviews, and on-site monitoring.

Owners must maintain accurate and complete records related to waiting list administration and must grant access to records to the Housing Authority, HUD or other auditing agency upon request.

Failure to comply with these requirements may result in corrective action, including revocation of approval to maintain the waiting list.

20.8 In-Place Families [24 CFR 983.251(b)]⁹⁹

An eligible family residing in a proposed project-based assistance contract unit on the date the proposal is awarded by the Housing Authority is considered an “in-place family.” These families are afforded protection from displacement under the project-based assistance program. This regulatory protection from displacement does not apply to families that are not eligible to participate in the PBA program. If a unit to be placed under

⁹⁹ The FY 2010 MTW Plan, Amendment 3 included flexibility related to in-place families.

20.16 Tenant Absence from the Units [24 CFR 983.256(g) and 982.312(a)]

The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by Housing Authority policy as outlined in Chapter 4 of this Administrative Plan.

20.17 Security Deposits [24 CFR 983.258]

The owner may collect a security deposit from the tenant. The Housing Authority may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. When the tenant moves out of a contract unit, the owner is subject to state and local law regarding disposition of the security deposit. The Housing Authority has no liability of responsibility for payment of any amount owed by the family to the owner.

20.18 Moves [24 CFR 983.259, 983.260, and 983.261]

20.18.1 Wrong Sized Unit

If the Housing Authority determines that an an SLA, RAD, FSS or VASH family is occupying a wrong sized unit due to changes to the family composition, or a unit with accessibility features the family does not require, and the unit is needed by a family that does require the features, the Housing Authority must notify the family and the owner of this determination within 30 days. Within 60 days from the Housing Authority's determination, the Housing Authority must offer the family the opportunity to receive continued housing assistance in another unit through either project-based assistance in the same building or project or tenant-based assistance under the Streamlined Fixed Lease Assistance for Elderly/Disabled or Streamlined Tiered Assistance for Career Focused Families. If the family chooses to transfer to another comparable PBV unit but is placed on the waiting list, the maximum waiting period is 90 days. A comparable unit is defined as a unit that meets the occupancy standards based on the family's current household composition and is generally within ten (10) miles from their current assisted unit.

After 90-days, if no PBV unit is available and there is no tenant-based funding available, the family can continue to reside in the PBV unit (if overhoused) under the tenant-based program and the PBV unit will be removed from the HAP contract. The unit may be reinstated to the HAP contract after the family vacates the property. For overcrowded units, if there is no PBV unit of appropriate size available, the family will be provided a tenant-based voucher, regardless of available funding.

If the family is offered an appropriate sized PBV unit, the family will be provided 30 days to move. If the family requests an extension, one 30-day extension may be granted.

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Assistance will be terminated if the family fails to move within the time allotted or refuses the offer of another unit and does not move out within 30 days.

If the Housing Authority offers the family tenant-based assistance, the Housing Authority must terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the initial 60-day term of the family's search indicated on either the Voucher or Family Obligations Agreement. The family may request and the Housing Authority may grant an additional 60-day extension.

Assistance for project-based participants under the Continuum of Care and HOPWA programs is restricted to designated units under the grant, so participants do not have the option to transfer assistance to other communities. However, a participant may request another unit that is designated under the grant if an appropriate unit is available.

20.18.2 Other Moves

Under the SLA and FSS program, Aa project-based voucher (PBV) participant (excluding certain families receiving on-site supportive services) may request a tenant-based voucher to move after two years of occupancy.¹⁰⁷ A RAD or VASH participant may request a tenant-based voucher to move after one year of occupancy. PBV participants requesting to move must submit a written request to move. Move requests will be approved in accordance with the Housing Authority's program moves policies outlined in Chapter 13.

If the family moves out or terminates the lease before the end of the initial residency period of two years for PBV or one year for RAD, the family relinquishes any right to continued assistance under the tenant-based voucher program and project-based voucher program, and the family's assistance will be terminated.

For families receiving on-site supportive services at permanent supportive housing developments, the service provider must certify that the family no longer needs the on-site supportive services before HACSB will approve a tenant-based voucher. Should a household be approved to move, households residing in project-based assistance units will have automatic priority, based on funding availability. The family must contact the Housing Authority to request tenant-based assistance prior to providing notice to

¹⁰⁷ The FY 2020 MTW Plan, Amendment 3, Activity 11: Local Project-Based Voucher Program specifies that the family must remain in a PBV unit for a minimum of 2 years before being eligible to request a tenant-based voucher. Activity 11 also states that HACSB may not provide a tenant-based voucher upon completion of the initial two-year term of assistance for families receiving on-site supportive services.

terminate the lease to the project-based owner. If the family is electing to move to the tenant-based voucher program, the family will be transferred to either the Streamlined Fixed Lease Assistance for Elderly/Disabled or Term-Limited Lease Assistance programs, whichever is appropriate. If the family terminates the assisted lease before the end of the contract term, the family relinquishes the opportunity for continued tenant-based assistance.

If the HAP Contract is not renewed or is terminated, residents will be offered an opportunity to move or remain in the unit with tenant-based assistance under the Streamlined Fixed Lease Assistance for Elderly/Disabled or Streamlined Tiered Assistance for Career Focused Families and the same rent calculation tier. Unless the family's recertification is due at the time of the program transfer, the family's income will not be updated.

20.19 Transfers

20.19.1 Mandatory Transfers

Under the SLA, RAD, VASH, and FSS programs, Participants will be required to make a mandatory move to another comparable unit under the project-based program or tenant-based assistance either within the project-based assistance community or to another project-based assistance community for the following reasons:

- Locate to another unit if the family becomes over housed or underhoused in accordance with the Occupancy Standards described in this Administrative Plan.
- Natural disaster or non-tenant caused damage that makes the unit uninhabitable, including failure under the Housing Authority's inspection standards; or
- Change in household composition due to a birth/adoption or court ordered custody that results in the housing unit being overcrowded in accordance with the Housing Authority's subsidy standards.

For move provisions related to underhoused and over-housed units, refer to section 20.18.1 Wrong Sized Units. For uninhabitable units and abatements, a tenant-based voucher will be provided under the provisions in section 10.2.4.

If no other comparable unit or tenant-based assistance is available, the family will be allowed to remain in their current unit. A comparable unit is defined as a unit that meets the occupancy standards based on the family's current household composition and is generally within (10) miles from their current assisted unit.

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Assistance for project-based participants under the Continuum of Care and HOPWA programs is restricted to designated units under the grant, so participants do not have the option to transfer assistance to other communities. However, a participant may request another unit that is designated under the grant if an appropriate unit is available.

20.19.2 Participant Requested Transfers

Under the SLA, RAD, VASH and FSS programs, Participants may request a permissible move transfer to another unit within the project-based assistance community or another project-based assistance community for the following reasons:

- As a reasonable accommodation when a resident needs to move to another unit due to a disability.
- Victim Witness Protection; and
- Violence Against Women Act.

Participants who are approved to transfer for the above reasons are eligible to move with continued assistance immediately. HACSB shall apply its Emergency Transfer Plan (form HUD 5381) for VAWA victims as required by HUD and provide the Emergency Transfer Request for Certain Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking (Form HUD 5383). If the family is requesting to remain in their current community or wants to relocate to another project-based community, their name will be placed on the move/transfer waiting list and will be offered a unit when it becomes available. Should a participant refuse the offer of the unit, the household will be placed at the bottom of the transfer waiting list. At its discretion, the Housing Authority may provide tenant-based assistance to households eligible for a permissible move under extenuating circumstances and when funding is available.

Assistance for project-based participants under the Continuum of Care and HOPWA programs is restricted to designated units under the grant, so participants do not have the option to transfer assistance to other communities. However, a participant may request another unit that is designated under the grant if it is safe or request assistance in locating safe housing through another provider's program.

20.20 Unit Refusal Offers

20.20.1 Unit Refusal With Good Cause

Applicants or residents may refuse to accept a unit offer for "good cause." Good cause includes situations in which an applicant/resident is requesting to or is required to move but is unable to do so at the time of the unit offer, or the applicant/resident demonstrates

CHAPTER 21: Homeownership Program

21.1 Introduction: Homeownership [24 CFR 982.625-982.643]

The homeownership option is a special housing type under the Housing Choice Voucher program that may be offered by the Housing Authority. The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option must have at least one year participation in an existing Housing Authority program.

HACSB will offer assistance in the form of monthly homeownership assistance payments.

The Housing Authority must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

21.2 Family Eligibility [24 CFR 982.627]

The family must meet all of the requirements listed below before the commencement of homeownership assistance.

- The family must ~~have been admitted~~ be a current participant on to the Housing Choice Voucher program, including the Term-Limited Lease Assistance program, the Streamlined lease Assistance Program, Veterans Affairs Supportive Housing (VASH), and Mainstream Program. PBV and RAD participants are eligible for Homeownership, subject to funding availability under the tenant-based voucher program or Affordable Housing Program. Note: Participants on the Emergency Housing Voucher, Family Unification Program for eligible youth, Foster Youth Initiative, and non-Housing Choice Voucher programs, such as Continuum of Care, HOPWA and Master Leasing, are not eligible for the homeownership option.
- The family must qualify as a first-time homeowner or may be a cooperative member. First-time homeowner is defined to mean that no member of the family has had an ownership interest in the residence of any family member during the three years preceding commencement of homeownership assistance. However, a single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by spouse) is considered a first-time homeowner for the purpose of the HCV Homeownership Program.
- The family must meet the federal minimum income requirement. The family must have a gross annual income equal to the Federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home. The PHA will not establish a higher minimum income standard for disabled and/or non-disabled families

- For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.
- For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.
- The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (the term 'full-time employment' means not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family. Families will be considered "continuously employed" if the break in employment does not exceed four months.
- The PHA will count self-employment in a business when determining whether the family meets the employment requirement.
- The employment requirement does not apply to elderly and disabled families. In addition, if a family, other than an elderly or disabled family includes a person with disabilities, the PHA must grant an exemption from the employment requirement if the Housing Authority determines that it is needed as a reasonable accommodation.
- The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option
- Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
- Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with 24 CFR 982.631(c)
- The family must have completed all required Homeownership Counseling programs.
- The family must have fully repaid any outstanding debt to any Housing Authority.

21.3 Selection of Families

Participation in the HCV Homeownership Program is voluntary. The Housing Authority will offer the homeownership option to participating families who are Housing Authority program participants and meet the following qualifications:

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- Residence in San Bernardino County for at least 1 year before applying to the Homeownership Assistance Program.
- At least 1-year of participation in the HACSB'S Housing Choice Voucher Program, including the Term-Limited Lease Assistance program, the Streamlined lease Assistance Program, Veterans Affairs Supportive Housing (VASH), and Mainstream Program. PBV and RAD participants are eligible for Homeownership, subject to funding availability under the tenant-based voucher program~~Streamlined lease Assistance program, Term-Limited Lease Assistance Program, or Affordable Housing Program.~~ Former housing services participants pulled from a waiting list will be subject to 1-year of participation in a homeownership eligible housing services program.
- In good standing with the Housing Authority by meeting the requirements for continued participation in the program
- Can secure mortgage financing through a lender and therefore must be credit worthy. No outstanding collection accounts, judgments or liens. At least 2 years since the discharge of a bankruptcy.
- Contribute a total down payment of 3% of the purchase price. The program requires at least 1% of the down payment must come from the family's own funds. The other 2% can be gifts, contributions, and grants.
- Completion of a minimum of 8 hours of homebuyer's education from a HUD-approved counseling program by the head of household and any adult member that will hold title to the home.

HACSB does not have a maximum limit on homeownership assistance. Funding determines ability to accept new families. If the Housing Authority reaches the maximum number of families it can serve, it will start a wait list and select families to participate in the program based on time and date of application for the homeownership program.

21.4 Eligible Units [24 CFR 982.628]

In order for a unit to be eligible, the Housing Authority must determine that the unit satisfies all of the following requirements:

1. The unit is not any of the following:
 - A. A public housing or Indian housing unit;
 - B. A unit receiving HCV project-based assistance;
 - C. A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;
 - D. A college or other school dormitory;

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- Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
- Real estate taxes and public assessments on the home;
- Home insurance;
- The Housing Authority allowance for maintenance expenses;
- The Housing Authority allowance for costs of major repairs and replacements;
- The Housing Authority utility allowance for the home;
- If a member of the family is a person with disabilities, expenses to finance costs needed to make the home accessible for such person, if the Housing Authority determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person;
- Land lease payments where a family does not own fee title to the real property on which the home is located; [see 24 CFR 982.628(b)].
- For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.

For cooperative members the following cooperative charges will also be used toward the homeownership expense:

- The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
- Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.

21.12 Denial or Termination of Assistance [24 CFR 982.638]

The Housing Authority will terminate a family's homeownership assistance if the family violates any of the homeowner obligations listed in Section 1 and 2 of form HUD-52649, Statement of Homeowner Obligations Housing Choice Voucher Homeownership Voucher Program.

At any time, the PHA may deny or terminate homeownership assistance in accordance with HCV program requirements.

21.13 Portability and Homeownership [24 CFR 982.601(b)(2), 982.636.(b)]

Participation in the HACSB Homeownership Program is generally limited to current program participants who meet eligibility criteria outlined in Sections 21.2 and 21.3. Per federal regulation, a PHA has discretion to deny the homeownership option to a port-in family. HACSB will not offer homeownership assistance to port-in families while their voucher is being administered by HACSB.

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The only exception is when the initial PHA has already determined the family eligible for the homeownership option and the family is porting into HACSB's jurisdiction to search for and purchase a home. In such cases, HACSB may choose to administer the homeownership assistance and bill the initial PHA in accordance with 24 CFR 982.636(b). The family must provide documentation from the initial PHA confirming eligibility and approval for the homeownership program prior to issuance of a certificate of eligibility by HACSB.

If the port-in family is absorbed into HACSB's program, and the family meets all eligibility requirements under HACSB's Homeownership Program policies, they may apply and be considered for participation in the homeownership option.

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

June 10, 2025

FROM

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

SUBJECT

Contract with Knowledge, Education for Your Success, Inc. for California Work Opportunity and Responsibility to Kids Housing Support Program Services

RECOMMENDATION(S)

1. Approve a contract with Knowledge, Education for Your Success, Inc. for the provision of California Work Opportunity and Responsibility to Kids Housing Support Program Housing Navigator Services for a total contract amount not to exceed \$16,434,760 for the contract period of July 1, 2025, through May 31, 2028.
2. Authorize and direct the Executive Director to execute and deliver the contract to Knowledge and Education for Your Success, 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 #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 is not expected to exceed a total contract amount of \$16,434,760 which is funded through the California Work Opportunity and Responsibility to Kids (CalWORKs) Housing Support Program (HSP) funds received by the Housing Authority of the County of San Bernardino (HACSB) pursuant to its CalWORKs HSP contract with the San Bernardino County Transitional Assistance Department (TAD).

BACKGROUND INFORMATION

Under the terms of the recommended contract amendment, HACSB's affiliate non-profit, Knowledge, Education for Your Success, Inc. (KEYS) will continue to provide housing navigation and rental assistance for CalWORKs families who identify themselves as homeless. CalWORKs HSP was established through SB 855 (Chapter 29, Statutes of 2014) to promote housing stability for families in the CalWORKs program. The Rapid Rehousing (RRH) services provided through HSP offer time-limited, individualized rental assistance at a level that enables family members to maintain housing while they seek to increase income; learn to manage a household budget; relocate to less expensive housing; and/or reduce expenses to sustain their housing. Rental assistance will be provided in a manner that is intended to prevent families from experiencing a sudden and unmanageable increase to their housing expenses at the end of program assistance. Additionally, KEYS partners with community and faith-based organizations to leverage and support payment of security deposits, utility assistance, furniture needs, and other housing costs as appropriate to the situation.

Based on an average cost of \$30,067.65 (estimated using the 24/25 average cost per household of \$27,334.23 and adding a 10% escalator for potential rent increases) per household, a total of approximately 169 families, approximately 105 new and 64 continuing households will be served with the available HSP allocation in the funding period. From January 2015 to March 31, 2025, the partnership with TAD, HACSB, and KEYS served more than 3,785 families, of which 9,500 are children: resulting in the placement of 2,968 households, including 7,050 children, in permanent housing.

As previously approved by HACSB's Board of Commissioners, the contract includes the Compliance Monitoring Plan (Attachment D), which outlines the measures HACSB will undertake to verify KEYS' compliance with HSP requirements and address any potential performance issues.

The purpose of this approval is to provide funding to continue the provision of services by KEYS. The proposed contract will align the amount and term of the contract with the amount and term of the HSP contract between HACSB and TAD the Board of Commissioners approved on May 13, 2025, Board of Commissioners meeting (Item No.8).

PROCUREMENT

The contract award was non-competitive due to TAD writing KEYS and HACSB directly into the contract proposal for State funding.

ITEM ATTACHMENTS

- Contract – HSP Contract with KEYS

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 19, 2025.



CONTRACT FOR HOUSING NAVIGATION SERVICES

BETWEEN

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

And

KNOWLEDGE AND EDUCATION FOR YOUR SUCCESS, INC.

This CONTRACT FOR HOUSING NAVIGATION SERVICES ("Contract") is made as of July 1, 2025 ("Effective Date"), by and between the HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO, a public body, corporate and politic ("HACSB"), and the KNOWLEDGE AND EDUCATION FOR YOUR SUCCESS, INC., a California non-profit corporation ("KEYS" or "Contractor"), who are collectively referred to herein as the "parties".

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, HACSB desires to reduce the instance of homelessness in the County of San Bernardino utilizing the contractor KEYS for housing navigation services; and

WHEREAS, the County of San Bernardino ("County") Transitional Assistance Department ("TAD") has been allocated funds by the California Department of Social Services (CDSS) California Work Opportunity and Responsibility to Kids (CalWORKs) to provide housing navigation services and has contracted with HACSB to provide such services through its subcontractor KEYS under the July 1, 2025 Contract by and between TAD and HACSB ("TAD Contract"); and

WHEREAS, HACSB finds KEYS qualified to provide CalWORKs Homeless Support Program (HSP) housing navigation services; and

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

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

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A. DEFINITIONS

1. CalFresh – The federally funded food and nutrition program, also known as the Supplemental Nutrition Assistance Program (SNAP), which increases household food budgets in the effort to help improve the health and wellbeing of eligible families and individuals by giving them a means to meet their nutritional needs.
2. California Work Opportunity and Responsibility to Kids (CalWORKs) – The welfare program implemented through Assembly Bill (AB) 1542 to provide temporary assistance in the form of cash aid and services to eligible needy families. This program replaced the Aid to Families with Dependent Children (AFDC) program in the State of California.
3. CalWORKs Housing Support Program (HSP) – A program developed to reduce the instance of homelessness within the TAD's CalWORKs families by moving them into permanent housing. Rapid Rehousing and rental assistance will be provided to families to obtain housing quickly and to promote stability through an array of case management and supportive services by maximizing collaborative partnerships.
4. Contract – This legal contract between HACSB and the Contractor.
5. Coordinated Entry System (CES) – A community-wide process for managing requests for housing and homelessness services, which includes a standardized assessment, prioritization, and referral process that focuses on maximizing the efficiency and fairness of access to resources by prioritizing individuals and families most in need.
6. Customer – A person that is eligible and currently participating in the CalWORKs program or an applicant who is apparently eligible for CalWORKs who volunteers to participate prior to approval.
7. Homeless Assistance Eligibility Worker (EW) – The Transitional Assistance Department (TAD) worker who will interview and complete the HSP referral and refer the family to the Service Coordinator.
8. Homeless Management Information System (HMIS) – A software application designed to record and store client-level information on the characteristics and service needs of homeless persons. HMIS is typically a web based software application that homeless assistance providers use to coordinate care, manage their operations, and better serve their clients.
9. Housing Authority of the County of San Bernardino (HACSB) – The agency which provides housing opportunities and resources throughout San Bernardino County. HACSB provides more than 13,000 housing units and works with landlords to provide affordable, decent, safe, and sanitary housing. HACSB works with families and private landlords to ensure HUD's requirements for housing standards are followed and maintained and to ensure the family knows and understands their tenant rights and responsibilities.
10. Housing First Model – A model of housing assistance that is offered without preconditions (such as sobriety or a minimum income threshold) or service participation requirements, and rapid placement and stabilization in permanent housing are primary goals. Research shows that it is effective for the chronically homeless with mental health and substance abuse disorders, resulting in fewer inpatient stays and less expensive interventions than other approaches. All referrals must be assigned to Knowledge and Education for Your Success, Inc. (KEYS) from the Coordinated Entry System (CES), or alternate method of referral such as reverse/reciprocal referral as deemed acceptable by the County of San Bernardino Office of Homeless Services (OHS), prior to enrollment.
11. Housing Coordinator – The worker who directly helps the family locate housing; assists with completing housing applications; provides mediation with landlords and neighbors; provides written information about landlord/tenant rights and responsibilities; reviews and explains of the requirements of the lease. Each enrolled customer receives up to three housing offers from the KEYS flexible housing pool. Customers are encouraged to seek units independently throughout their housing search. The Housing Coordinator will work to find the most immediate and viable long term placements for the family. The Housing Coordinator is based at the KEYS office.

12. Human Services – San Bernardino County Human Services (HS), a system of integrated services, where the programs and resources of nine (9) County departments come together to provide a rich, more complete array of services to the citizens of San Bernardino County under one coordinated effort.
13. Individualized Service Plan (ISP) – A best practice tool used by the Service Coordinator to determine the fastest and most efficient way to permanently house the family, and which services are critical to housing retention. The ISP helps the Service Coordinator work with the family to identify strengths, barriers, resources, and set immediate goals to stabilize the family in their housing crisis.
14. Intake Specialist – The KEYS staff member who conducts homeless verification, screens and assesses customers for eligibility and prioritization. The Intake Specialist monitors the active working list for enrollments that have been prioritized using CES standards.
15. Knowledge and Education for Your Success, Inc. (KEYS) – A subcontractor for HACSB that administers the CalWORKs HSP to provide housing needs payments to CalWORKs recipient homeless families. The mission of KEYS is to empower all individuals and families impacted by poverty to unlock their potential for success.
16. Rapid Re-Housing Model (RRH) – A model of housing assistance that is voluntary and designed to assist the homeless, with or without disabilities, move as quickly as possible into permanent housing, and achieve stability in that housing. Rapid rehousing assistance is time-limited, individualized, and flexible. A rapid rehousing approach may provide supportive services and tenant based rental assistance.
17. Release of Information (ABCDM 228 – KEYS) – A written authorization signed by the customer waiving the right to confidentiality and authorizing the County or its agent to release to or obtain from other individuals or agencies specific information necessary for the administration of the Housing Support Program (HSP) and/or customer's case.
18. Rental Assistance – May be short term (up to three months) or medium term (three to twelve months) or long term (up to twenty-four months, namely, for customers with high vulnerability scores as determined by the CES prioritization, extenuating circumstances, and/or demonstrated progression through program). The rental assistance must be for permanent housing. Rental assistance will only be provided for a unit if the rent is reasonable in relation to rents being charged for comparable unassisted units, taking into account the location, size, type, quality, amenities, facilities, management, and maintenance of each unit. Reasonable rent must not exceed rents currently being charged by the same owner for comparable unassisted units. In addition to rent reasonableness, all units must pass, at a minimum, meet housing habitability standards. The Contractor and/or its subcontractor reserves the rights to impose stricter housing quality standards, program wide, to ensure safe and decent housing is being provided.
19. Recidivism – Measuring the program's success in ending homelessness as measured by the number of households who attain housing and do not re-enter/return to homelessness, either sheltered or unsheltered, to a successful housing outcome.
20. Services Coordinator – Provides case management and support services related to housing placement and stability. Service Coordinators designated to administer HSP are co-located at various TAD district offices. Service Coordinators work closely with Homeless Assistance (HA) Eligibility Workers (EWs) in determining HSP eligibility and benefits. The Service Coordinator will connect customers to the following housing related services, which includes, but may not be limited to: housing location; housing application assistance; provision of mediation with landlords and neighbors; provision of written information about landlord/tenant rights and responsibilities; review and explanation of the requirements of the lease; obtaining, interpreting, and correcting rental and credit history, as needed, including additional legal services as needed; obtaining identification and other documentation needed to apply for housing; assistance developing a household budget and reduction of expenses to the extent possible; assistance to reduce or re-negotiate debt and/or obtain other consumer credit counseling assistance; provision of case

management; securing household furnishings and/or appliances; and provision of information and referrals to employment and free or reduced cost goods and services. Referrals are made as needed to services outlined in the customer's Individualized Service Plan (ISP).

21. Services – The required services described in this Contract.
22. Transitional Assistance Department (TAD) –Administers the financial support systems that assist needy families with basic living expenses. TAD also administers the Welfare-to-Work component of CalWORKs.
23. TAD Contract. – The July 1, 2025 contract by and between TAD and HACSB to provide housing navigation services through HACSB's subcontractor KEYS, a copy of which has been provided to KEYS.
24. Temporary Assistance for Needy Families (TANF) – The federal program under which CalWORKs is administered. This program is designed to help families with children experiencing low-income achieve economic security and stability.
25. Vulnerability Index-Service Prioritization Decision Assistance (VI-SPDAT) – is a standardized assessment tool used to determine the appropriate housing intervention and helps prioritize resources by assigning the customer a score based on their circumstances

B. CONTRACTOR RESPONSIBILITIES

Contractor shall:

1. Accept Housing Support Program (HSP) referrals from the Transitional Assistance Department (TAD) Homeless Assistance Eligibility Worker (EW), for families who have been identified at application, Re-Evaluation (RE), SAR 7 Eligibility Status Report (SAR 7), when the customer reports a change of address and/or living arrangement, or any other time, as homeless or at risk of homelessness, defined as:
 - a. Lacking a fixed, regular, and adequate nighttime residence; or
 - b. Having a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations; or
 - c. Will imminently lose their primary nighttime residence provided that:
 - 1) The primary nighttime residence will be lost within the fourteen (14) days following the date of application for HSP,
 - 2) The family lacks the resources or support networks to obtain other permanent housing, and
 - 3) No subsequent residence has been identified; or
 - d. Meeting one of the following conditions during the sixty (60) days immediately preceding the application for HSP:
 - 1) Moved two (2) or more times due to economic reasons,
 - 2) Living in the home of another because of economic hardships, or
 - 3) Living in a hotel or motel and the cost of the hotel or motel is **not** paid for by a charitable organization or by federal, State, or local government programs for low income individuals; or
 - e. Residing in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (including a car, park, abandoned building, bus, train station, airport, and camping ground); or
 - f. Fleeing, or attempting to flee, domestic abuse, sexual assault, or other dangerous/life threatening conditions that relate to violence against anyone in the CalWORKs Assistance Unit (AU) and:
 - 1) Has no residence, and

- 2) Lacks the resources or support networks to obtain other permanent housing; or
- g. Are at risk of homelessness. Families considered at risk of homelessness include:
 - 1) Are experiencing housing instability (including recipients who have not yet received an eviction notice, e.g., Three Day Pay or Quit Notice) and for whom housing instability would be a barrier to self-sufficiency or child well-being,
 - 2) Have no subsequent permanent residence secured, and
 - 3) Lacking resource or support networks needed to stabilize their unique housing situation and secure subsequent permanent housing.
- 2. Provide case management for all CalWORKs customers who receive HSP services under this Contract. Case management includes, but is not limited to, maintaining a customer's case file while enrolled in HSP services. Case management shall be provided in-person at the KEYS office, authorized TAD office or any other HACSB-approved location, which in-person assistance shall be available Monday through Friday between 8:00 a.m. and 4:30 p.m. Phone assistance may be provided as a follow-up to the initial in-person assistance. Each customer shall have an individual case file, which must be accurate and complete, and minimally contain the following information, completed and signed as applicable and necessary:
 - a. TAD Referral to KEYS (HSP 30),
 - b. Customer Consent/Information Release Authorization (HA 31),
 - c. Self-Certification Form (HSP 35),
 - d. Client Consent and Information Release (TAD HMIS 36),
 - e. Statement of Facts – Homeless Assistance (CW 42),
 - f. Release of Information (ABCDM 228 – KEYS),
 - g. Signed County Complaint and Grievance Procedure (HS 39) (Attachment A),
 - h. Eviction paperwork, if received from the customer,
 - i. HSP Communications Form (HSP 33), if applicable, and
 - j. KEYS Results to TAD (HSP 31), if applicable.
- 3. Provide CalWORKs Housing Support Program (HSP), Rapid Re-Housing (RRH), and Rental Assistance to targeted CalWORKs families.
- 4. Conduct the screening process for eligibility, perform Vulnerability Index – Service Prioritization Decision Assistance Tool (VI-SPDAT) assessments for scoring for CES prioritization, and perform homeless verifications for all referrals. Intake Specialists, who may be co-located in a TAD office on a part time rotational basis, may schedule a real time interview with the customer (during pre-scheduled office hours) to commence the screening process. Upon completion of the screening process and based upon the VI-SPDAT score, the customers are assigned to a Services Coordinator to complete intake and enrollment. In addition to the Intake Specialist co-locating at TAD offices, Services Coordinators will also co-locate to provide real time case management and support while increasing ease and access to services for the customer.
- 5. Directly assist the identified family, if eligible, with several housing related services including, but not limited to:
 - a. Locating housing.
 - b. Completing housing applications.
 - c. Providing mediation with landlords and neighbors.
 - d. Providing written information about landlord/tenant rights and responsibilities.
 - e. Reviewing and understanding the requirements of the lease.

- f. Obtaining, interpreting, and correcting, as needed, rental and credit history, which may require additional legal services.
 - g. Obtaining identification and other documentation needed to apply for housing.
 - h. Developing a household budget and reducing expenses to the extent possible.
 - i. Reducing or renegotiating debt and/or obtaining other consumer credit counseling assistance.
 - j. Providing information and referrals to employment and free or reduced cost goods and services.
 - k. Providing case management.
 - l. Providing household items, appliances or storage fees.
6. Ensure that the RRH program will offer time limited, individualized financial assistance designed to assist families obtain and retain permanent housing. Financial assistance is to be provided at a level that enables the family to maintain housing while they seek to:
 - a. Increase income.
 - b. Learn to manage a household budget.
 - c. Reduce expenses to sustain their housing.
 7. Ensure that rental assistance is provided in a manner that is intended to prevent families from experiencing a sudden and unmanageable increase in their housing expenses at the end of program assistance.
 8. Provide one hundred percent (100%) of the first month's rental startup costs, which include security and/or utility deposits for move-in stabilization.
 9. Set a maximum amount or percentage of rental assistance that a program participant may receive, a maximum number of months that a program participant may receive rental assistance, and/or a maximum number of times that a program participant may receive rental assistance.
 10. Leverage community resources and partnerships to provide other mainstream supportive services that support the customer ISP.
 11. Ensure that treatment for mental health or substance abuse needs is not a condition of RRH services utilizing the "Housing First" standards.
 12. Enter data about the homeless individuals and families seeking services into the Homeless Management Information System (HMIS).
 13. Meet monthly with TAD, Program Development Division (PDD) and subcontractor, if applicable, to coordinate and evaluate policies related to the program.
 14. Provide monthly reports as required by TAD and the California Department of Social Services (CDSS).
 15. Conduct follow up of customers identified in HMIS showing that the families accessed other homeless assistance after exiting from HSP and provide the reasons for recidivism in the monthly report to TAD.
 16. Conduct and document annual monitoring for contract, program, and fiscal compliance of all subcontractors who provide services pursuant to this Contract. Monitoring may be desk audits, onsite monitoring, or a combination of both, in accordance with the Contractor's approved monitoring program. Subcontractor monitoring reports citing all outcomes, findings, and corrective measures including timelines, shall be made available for HACSB and TAD's review. HACSB reserves the right to conduct monitoring in the form of desk audits, onsite monitoring or a combination of both at any time during the term of this contract.
 17. Obtain written approval from HACSB and the Director of TAD before making changes to services and programs, as well as types of contractor and subcontractor staff available to provide services,

- including, but not limited to: Services Coordinator, Housing Coordinator, Intake Specialist, etc.
18. Obtain written approval from the Director of TAD before making changes to the locations, delivery method (i.e., in person, virtual, or via telephone), and hours of operation for all contractor and subcontractor staff available to provide services.
 19. Provide a monthly invoice to HACSB per Section F.3 below.
 20. Comply with all obligations imposed on HACSB under the TAD Contract.

C. GENERAL CONTRACT REQUIREMENTS

1. **Recitals** – The recitals set forth above are true and correct and incorporated herein by this reference.
2. **Contract Amendments** – Contractor agrees any alterations, variations, modifications, or waivers of the provisions of the Contract, shall be valid only when reduced to writing, executed and attached to the original Contract, and approved by the person(s) authorized to do so on behalf of Contractor and HACSB and the County.
3. **Contract Assignability** – Without the prior written consent of HACSB and the County, the Contract is not assignable by Contractor either in whole or in part.
4. **Reserved**
5. **Attorney's Fees and Costs** – If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorney fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney fees directly arising from a third-party legal action against a party hereto and payable under Indemnification and Insurance Requirements.
6. **Background Checks for Contractor Personnel** – Contractor shall ensure that its personnel (a) are authorized to work in the jurisdiction in which they are assigned to perform Services; (b) do not use legal or illegal substances in any manner which will impact their ability to provide Services to the County; and (c) are not otherwise disqualified from performing the Services under applicable law. If requested by the County and not in violation of applicable law, Contractor shall conduct a background check, at Contractor's sole expense, on all its personnel providing Services. If requested by the County, Contractor shall provide the results of the background check of each individual to the County. Such background check shall be in the form generally used by Contractor in its initial hiring of employees or contracting for contractors or, as applicable, during the employment-screening process but must, at a minimum, have been performed within the preceding twelve (12) month period. Contractor personnel who do not meet the HACSB's hiring criteria, in HACSB's sole discretion, shall not be assigned to work on HACSB's property or Services, and HACSB shall have the right, at its sole option, to refuse access to any Contract personnel to any HACSB facility.

Contractor shall obtain from the Department of Justice (DOJ) records of all convictions involving any sex crimes, drug crimes, or crimes of violence of a person who is offered employment or volunteers for all positions in which he or she would have contact with a minor, the aged, the blind, the disabled or a domestic violence client, as provided for in Penal Code section 11105.3 prior to providing any services. This includes licensed personnel who are not able to provide documentation of prior DOJ clearance. A copy of a license from the State of California, which requires a DOJ clearance, is sufficient proof. HACSB must be immediately notified of any records showing a conviction. HACSB may instruct Contractor to take action to deny/terminate employment or terminate internship and/or volunteer services where the records show the person is unsuitable for employment, internship, or volunteer services.

In addition to the documentation of DOJ clearance, Contractor shall obtain clearance from the Federal Bureau of Investigation (FBI) and Child Abuse Central Index (CACI), and records of all convictions involving any sex crimes, drug crimes, or crimes of violence of a person who is offered employment or volunteers for all positions in which he or she would have contact with a minor, the aged, the blind, the disabled or a domestic violence client, prior to providing any services. HACSB must be immediately notified of any records showing a conviction. HACSB may instruct Contractor to

take action to deny/terminate employment or terminate internship and/or volunteer services where the records show the person is unsuitable for employment, internship, or volunteer services.

Contractor shall notify HACSB of any board member, staff member, paid intern or volunteer who is knowingly or negligently employed who has been convicted of any crime of violence or of any sexual crime. Contractor shall investigate all incidents where an applicant, employee, intern or volunteer has been arrested and/or convicted for any crime in Penal Code Section 11105.3 and shall notify HACSB. In HACSB's discretion, HACSB may instruct Contractor to take action to either deny/terminate employment or terminate internship and/or volunteer services where the investigation shows that the underlying conduct renders the person unsuitable for employment, internship, or volunteer services.

Contractor shall immediately notify HACSB and the County concerning the arrest and/or conviction, other than minor traffic offenses, of any paid employee, agent, consultant, intern, or volunteer staff, when such information becomes known to Contractor. Contractor shall immediately notify HACSB and the County concerning the arrest and/or conviction, other than minor traffic offenses, of any paid employee, agent, consultant, intern, or volunteer staff, when such information becomes known to Contractor.

7. **Change of Address** – Contractor shall notify HACSB and the County in writing, of any change in mailing address within ten (10) business days of the change.
8. **Choice of Law** – This Contract shall be governed by and construed according to the laws of the State of California.
9. **Compliance with HACSB and County Policy** – In performing the Services and while at any HACSB and County facilities, Contractor personnel (including subcontractors) shall (a) conduct themselves in a businesslike manner; (b) comply with the policies, procedures, and rules of HACSB and the County regarding health and safety, and personal, professional and ethical conduct; (c) comply with the finance, accounting, banking, Internet, security, and/or other applicable standards, policies, practices, processes, procedures, and controls of HACSB and the County; and (d) abide by all laws applicable to HACSB and the County facilities and the provision of the Services, and all amendments and modifications to each of the documents listed in subsections (b), (c), and (d) (collectively, "County Policies"). County Policies, and additions or modifications thereto, may be communicated orally or in writing to Contractor or Contractor personnel or may be made available to Contractor or Contractor personnel by conspicuous posting at a County facility, electronic posting, or other means generally used by County to disseminate such information to its employees or contractors. Contractor shall be responsible for the promulgation and distribution of County Policies to Contractor personnel to the extent necessary and appropriate.

HACSB and the County shall have the right to require Contractor's employees, agents, representatives and subcontractors to exhibit security identification credentials issued by County in order to exercise any right of access under this Contract.

10. **Confidentiality** – Contractor shall ensure that all staff, volunteers and/or Subcontractors performing Services under this Contract comply with the terms and conditions as set forth in the Human Services Information Privacy and Security Requirements specified at <http://hss.sbcounty.gov/Privacy> prior to providing any Services. Contractor shall immediately notify HACSB and the County of any suspected or actual breach of confidential information as further detailed in the requirements. These requirements specified at <http://hss.sbcounty.gov/Privacy> are hereby incorporated by this reference.
 - a. Read, understand and comply with the Privacy and Security Requirements Summary.
 - b. Ensure employees, subcontractors, agents, volunteers and interns who have access to Personally Identifiable Information (PII) complete the Privacy and Security Training and execute the training acknowledgement form and other training materials annually.
 - c. Ensure employees, subcontractors, agents, volunteers and interns who have access to PII sign the Confidentiality Statement annually.

- d. Report actual, suspected or potential breaches of PII immediately to the Human Services Privacy and Security Office via email at: HSPrivacySecurityOfficer@hss.sbcounty.gov
11. **Primary Point of Contact** – Contractor will designate an individual to serve as the primary point of contact for the Contract. Contractor or designee must respond to HACSB and County inquiries within two (2) business days. Contractor shall not change the primary contact without written acknowledgement to HACSB and the County. Contractor will also designate a back-up point of contact in the event the primary contact is not available.
12. **HACSB Representative** – The Executive Director or his/her designee shall represent HACSB in all matters pertaining to the services to be rendered under this Contract, including termination and assignment of this Contract, and shall be the final authority in all matters pertaining to the Services/Scope of Work by Contractor. If this contract was initially approved by HACSB's Board of Commissioners, then the Board of Commissioners must approve all amendments to this Contract.
13. **Damage to County Property** – Contractor shall repair, or cause to be repaired, at its own cost, all damages to County vehicles, facilities, buildings or grounds caused by the willful or negligent acts of Contractor or its employees or agents. Such repairs shall be made immediately after Contractor becomes aware of such damage, but in no event later than thirty (30) days after the occurrence.
- If the Contractor fails to make timely repairs, the County may make any necessary repairs. The Contractor, as determined by the County, shall repay all costs incurred by the County for such repairs, by cash payment upon demand, or County may deduct such costs from any amounts due to the Contractor from the County, as determined at the County's sole discretion.
14. **Debarment and Suspension** – Contractor agrees to comply with the applicable federal suspension and debarment regulations, including, but not limited to Title 48 Code of Federal Regulations (CFR), Chapter 1, Subchapter B, Part 9, Subpart 9.4 (48 C.F.R. Section 9.400 et seq.).

Contractor certifies that it and its principals and subcontractors:

- a. Are not presently disbarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. (See the following United States General Services Administration's System for Award Management website <https://www.sam.gov>).
- b. Have not within a three (3) year period preceding this Contract been convicted of or had a judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract under a public transaction; or a violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in Section C, Paragraph 14, subparagraph b herein; and
- d. Have not within a three (3) year period preceding this Contract had one (1) or more public transactions (federal, state or local) terminated for cause or default.

Contractor further certifies that if it or any of its subcontractors are business entities that must be registered with the California Secretary of State, they are registered and in good standing with the Secretary of State.

15. **System for Award Management** – Contractor shall not be identified as suspended or debarred on the federal System for Award Management's (SAM) excluded list (<https://www.sam.gov>). If at any time during the term of the Contract, the County determines Contractor is identified as either suspended or debarred on the SAM, Contractor shall be considered in material breach of the Contract, and the County may proceed under the Correction of Performance Deficiencies section of the Contract, including immediate termination of the Contract. If Contractor becomes aware, at any point during the term of the Contract, that it is identified as suspended or debarred on the SAM excluded list,

Contractor must immediately inform County. Such inclusion will be considered a material breach of the Contract and be sufficient grounds for immediate termination.

16. **Drug and Alcohol Free Workplace** – In recognition of individual rights to work in a safe, healthful and productive workplace, as a material condition of this Contract, the Contractor agrees that the Contractor and the Contractor's employees, while performing service for HACSB and the County, on HACSB and County property, or while using HACSB and County equipment:
- a. Shall not be in any way impaired because of being under the influence of alcohol or an illegal or controlled substance.
 - b. Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal or controlled substance.
 - c. Shall not sell, offer, or provide alcohol or an illegal or controlled substance to another person, except where Contractor or Contractor's employee who, as part of the performance of normal job duties and responsibilities, prescribes or administers medically prescribed drugs.

The Contractor shall inform all employees that are performing service for HACSB and the County on HACAB or County property, or using HACSB or County equipment, of HACSB and the County's objective of a safe, healthful and productive workplace and the prohibition of drug or alcohol use or impairment from same while performing such service for HACSB and the County.

HACSB may terminate for default or breach of this Contract and any other Contract the Contractor has with HACSB, if the Contractor or Contractor's employees are determined by HACSB not to be in compliance with above.

17. **Duration of Terms** – This Contract, and all of its terms and conditions, shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties, provided no such assignment is in violation of the provisions of this Contract.

18. **Reserved.**

19. **Environmental Requirements** – In accordance with County Policy 11-08, the County prefers to acquire and use products with higher levels of post-consumer recycled content. Environmentally preferable goods and materials must perform satisfactorily and be available at a reasonable price. The County requires Contractor to use recycled paper for any printed or photocopied material created as a result of this Contract. Contractor is also required to use both sides of paper sheets for reports submitted to the County whenever practicable.

To assist the County in meeting the reporting requirements of the California Integrated Waste Management Act of 1989 (AB 939), Contractor must be able to annually report the County's environmentally preferable purchases. Contractor must also be able to report on environmentally preferable goods and materials used in the provision of their service to the County, utilizing a County approved form.

EPA Regulations – If the amount available to Contractor under the Contract exceeds \$100,000, Contractor will agree to comply with the Clean Air Act (42 U.S.C. section 7401 et seq.); section 508 of the Clean Water Act (33 U.S.C. section 1251 et seq.); Executive Order 11738 [38 Fed. Reg. 25161 (Sept. 10, 1973)]; and Environmental Protection Agency regulations (40 C.F.R.).

State Energy Conservation Clause – Contractor shall observe the mandatory standards and policies relating to energy efficiency in the State Energy Conservation Plan (California Code of Regulations (CCR), title 20, section 1401 et seq.).

20. **Improper Influence** – Contractor shall make all reasonable efforts to ensure that no County officer or employee, whose position in the County enables him/her to influence any award of the Contract or any competing offer, shall have any direct or indirect financial interest resulting from the award of the Contract or shall have any relationship to the Contractor or officer or employee of the Contractor.
21. **Improper Consideration** – Contractor shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of HACSB and the County in

an attempt to secure favorable treatment regarding this Contract.

HACSB by written notice, may immediately terminate this Contract if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of HACSB and the County with respect to the proposal and award process. This prohibition shall apply to any amendment, extension or evaluation process once a contract has been awarded.

Contractor shall immediately report any attempt by HACSB or a County officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from Contractor. The report shall be made to the supervisor or manager charged with supervision of the employee or HACSB's Administrative Office. In the event of a termination under this provision, HACSB and the County are entitled to pursue any available legal remedies.

22. **Informal Dispute Resolution** – In the event HACSB and the County determines that service is unsatisfactory, or in the event of any other dispute, claim, question or disagreement arising from or relating to this Contract or breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.
23. **Legality and Severability** – The parties' actions under the Contract shall comply with all applicable laws, rules, regulations, court orders and governmental agency orders. The provisions of this Contract are specifically made severable. If a provision of the Contract is terminated or held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.
24. **Licenses, Permits and/or Certifications** – Contractor shall ensure that it has all necessary licenses, permits and/or certifications required by federal, state, County, and municipal laws, ordinances, rules and regulations. The Contractor shall maintain these licenses, permits and/or certifications in effect for the duration of this Contract. Contractor will notify HACSB immediately of loss or suspension of any such licenses, permits and/or certifications. Failure to maintain a required license, permit and/or certification may result in immediate termination of this Contract.
25. **Material Misstatement/Misrepresentation** – If during the course of the administration of this Contract, HACSB or the County determines that Contractor has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to HACSB and the County, this Contract may be immediately terminated. If this Contract is terminated according to this provision, HACSB or the County is entitled to pursue any available legal remedies.
26. **Mutual Covenants** – The parties to this Contract mutually covenant to perform all of their obligations hereunder, to exercise all discretion and rights granted hereunder, and to give all consents in a reasonable manner consistent with the standards of "good faith" and "fair dealing".
27. **Nondisclosure** – Contractor shall protect from unauthorized use or disclosure names and other identifying information concerning persons receiving Services pursuant to this Contract, except for statistical information not identifying any participant. Contractor shall not use or disclose any identifying information for any other purpose other than carrying out the Contractor's obligations under this Contract, except as may be otherwise required by law. This provision will remain in force even after the termination of the Contract.

Contractor shall hold as confidential and use reasonable care to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, confidential information that is either: (1) provided by the County to Contractor or an agent of Contractor or otherwise made available to Contractor or Contractor's agent in connection with this Contract; or, (2) acquired, obtained, or learned by Contractor or an agent of Contractor in the performance of this Contract. For purposes of this provision, confidential information means any data, files, software, information or materials in oral, electronic, tangible or intangible form and however stored, compiled or memorialize and includes, but is not limited to, technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data.

28. **Notice of Delays** – Except as otherwise provided herein, when either party has knowledge that any

actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within twenty-four (24) hours, give notice thereof, including all relevant information with respect thereto, to the other party.

29. **Ownership of Documents** – All documents, data, products, graphics, computer programs and reports prepared by Contractor pursuant to the Contract shall be considered property of the County upon payment for services (and product, if applicable). All such items shall be delivered to County at the completion of work under the Contract. Unless otherwise directed by County, Contractor may retain copies of such items.
30. **Participation Clause** – The County desires that Municipalities, School Districts, and other Tax Districts within San Bernardino County requiring the same services provided herein may at their option and through the County Purchasing agent, avail themselves of this Contract. Upon notice, in writing, the Contractor agrees to the extension of the terms of this Contract with such governmental bodies as though they have been expressly identified in this Contract, with the provisions that:
- a. Such governmental body does not have and will not have in force any other contract for like purchases.
 - b. Such governmental body does not have under consideration for award any other bids or quotations for like purchases.

Such governmental body shall make purchases directly through and to the Contractor. HACSB or the County will not be liable for any such purchase made between the Contractor and another governmental body who avails themselves of this Contract.

31. **Air, Water Pollution Control, Safety and Health** – Contractor shall comply with all air pollution control, water pollution, safety and health ordinances and statutes, including fire clearances, which apply to the work performed pursuant to this Contract.
32. **Records** – Contractor shall maintain all records and books pertaining to the delivery of services under this Contract and demonstrate accountability for contract performance. All records shall be complete and current and comply with all Contract requirements. Failure to maintain acceptable records shall be considered grounds for withholding of payments for invoices submitted and/or termination of the Contract.

All records relating to the Contractor's personnel, consultants, subcontractors, Services/Scope of Work and expenses pertaining to this Contract shall be kept in a generally acceptable accounting format. Records should include primary source documents. Fiscal records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. Fiscal records must comply with the appropriate Office of Management and Budget (OMB) Circulars, which state the administrative requirements, cost principles and other standards for accountancy. Please refer to http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl for further information.

Contractors expending \$750,000 or more in federal funds annually shall have a single audit or program specific audit performed. A copy of the audit shall be maintained as part of the program's fiscal records.

All records shall be complete and current and comply with all Contract requirements. Failure to maintain acceptable records per the preceding requirements shall be considered grounds for withholding payments for billings submitted and for termination of the Contract.

33. **Relationship of the Parties** – Nothing contained in this Contract shall be construed as creating a joint venture, partnership, or employment arrangement between the Parties hereto, nor shall either Party have the right, power or authority to create an obligation or duty, expressed or implied, on behalf of the other Party hereto.
34. **Release of Information** – No news releases, advertisements, public announcements or photographs arising out of the Contract or Contractor's relationship with HACSB or the County may be made or used without prior written approval of HACSB's Executive Director or their designee and the TAD Director or their designee and shall include County approved branding

35. **Representation of the County** – In the performance of this Contract, Contractor, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of San Bernardino County.
36. **Strict Performance** – Failure by a party to insist upon the strict performance of any of the provisions of this Contract by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Contract thereafter.
37. **Subcontracting** – Contractor agrees not to enter into any subcontracting contracts for work contemplated under the Contract without first obtaining written approval from HACSB and the County and the Director of TAD through the HS Contracts Unit. Any subcontractor shall be subject to the same terms and conditions as Contractor. Contractor shall be fully responsible for the performance and payments of any subcontractor's contract.

Contractor shall obtain HACSB and the County's written consent, which HACSB and the County may withhold in its sole discretion, before entering into contracts with or otherwise engaging any subcontractors who may supply any part of the Services to County. At HACSB and County's request, Contractor shall provide information regarding the subcontractor's qualifications and a listing of a subcontractor's key personnel including, if requested by the County, resumes of proposed subcontractor personnel. Contractor shall remain directly responsible to HACSB and County for its subcontractors and shall indemnify HACSB and the County for the actions or omissions of its subcontractors under the terms and conditions specified in Section

G. All approved subcontractors shall be subject to the provisions of this Contract applicable to Contractor Personnel, including removal pursuant to Paragraph 6 of this Section C.

For any subcontractor, Contractor shall:

- a. Be responsible for subcontractor compliance with the Contract and the subcontract terms and conditions; and
- b. Ensure that the subcontractor follows HACSB and County's reporting formats and procedures as specified by County.
- c. Include in the subcontractor's subcontract substantially similar terms as are provided in Sections B. Contractor Responsibilities, C. General Contract Requirements and G. Insurance and Indemnification.
- d. Be responsible for monitoring subcontractor annually to determine subcontractor's compliance with the provisions of this contract. At HACSB and County's request, Contractor shall provide subcontractor's annual monitoring reports and supporting documentation.

Upon expiration or termination of this Contract for any reason, HACSB and County will have the right to enter into direct Contracts with any of the subcontractors. Contractor agrees that its arrangements with subcontractors will not prohibit or restrict such subcontractors from entering into direct contracts with HACSB and County.

38. **Subpoena** – In the event that a subpoena or other legal process commenced by a third party in any way concerning the Goods or Services provided under this Contract is served upon Contractor or County, such party agrees to notify the other party in the most expeditious fashion possible following receipt of such subpoena or other legal process. Contractor and HACSB further agree to cooperate with the other party in any lawful effort by such other party to contest the legal validity of such subpoena or other legal process commenced by a third party as may be reasonably required and at the expense of the party to whom the legal process is directed, except as otherwise provided herein in connection with defense obligations by Contractor for HACSB.
39. **Termination for Convenience** – HACSB and the County reserves the right to terminate the Contract for its convenience, with or without cause, with a thirty (30) day written notice of termination. Such termination may include all or part of the services described herein. Upon such termination, payment will be made to the Contractor for services rendered and expenses reasonably incurred prior to the effective date of termination. Upon receipt of termination notice Contractor shall promptly discontinue services unless the notice directs otherwise. Contractor shall deliver promptly to

HACSB and County and transfer title (if necessary) all completed work, and work in progress, including drafts, documents, plans, forms, data, products, graphics, computer programs and reports.

40. **Time of the Essence** – Time is of the essence in performance of this Contract and of each of its provisions.
41. **Venue** – The parties acknowledge and agree that this Contract was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue of any action or claim brought by any party to this Contract will be the Superior Court of California, County of San Bernardino, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this Contract is brought by any third party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, County of San Bernardino, San Bernardino District.
42. **Conflict of Interest** – Contractor shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, employees, or subcontractors, HACSB and the County. Contractor shall make a reasonable effort to prevent employees, Contractor, or members of governing bodies from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others, such as those with whom they have family business, or other ties. Officers, employees, and agents of cities, counties, districts, and other local agencies are subject to applicable conflict of interest codes and state law. In the event the HACSB and County determines a conflict of interest situation exists, any increase in costs, associated with the conflict of interest situation, may be disallowed by the HACSB and County and such conflict may constitute grounds for termination of the Contract. This provision shall not be construed to prohibit employment of persons with whom Contractor's officers, employees, or agents have family, business, or other ties so long as the employment of such persons does not result in increased costs over those associated with the employment of any other equally qualified applicant.
43. **Former County Administrative Officials** – Contractor agrees to provide, or has already provided, information on former San Bernardino County administrative officials (as defined below) who are employed by or represent Contractor. The information provided includes a list of former County administrative officials who terminated County employment within the last five (5) years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of Contractor. For purposes of this provision, "County administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Executive Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.
44. **Disclosure of Criminal and Civil Procedures** – HACSB reserves the right to request the information described herein from the Contractor. Failure to provide the information may result in a termination of the Contract. HACSB also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The Contractor also may be requested to provide information to clarify initial responses. Negative information discovered may result in Contract termination.

Contractor is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten (10) years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten (10) years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the Contractor will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the Contractor is required to disclose whether the firm, or any of its partners, principals,

members, associates or key employees, within the last ten (10) years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Contractor will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to the County. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

45. **Copyright** – HACSB and the County shall have a royalty free, nonexclusive and irrevocable license to publish, disclose, copy, translate, and otherwise use, copyright or patent, now and hereafter, all reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other materials or properties developed under this Contract including those covered by copyright, and reserves the right to authorize others to use or reproduce such material. All such materials developed under the terms of this Contract shall acknowledge HACSB and San Bernardino County as the funding agency and Contractor as the creator of the publication. No such materials, or properties produced in whole or in part under this Contract shall be subject to private use, copyright or patent right by Contractor in the United States or in any other country without the express written consent of County. Copies of all educational and training materials, curricula, audio/visual aids, printer material, and periodicals, assembled pursuant to this Contract must be filed with the County prior to publication.
46. **Artwork, Proofs and Negatives** – All artwork, proofs, and/or negatives in either print or digital format for anything produced under the terms of this Contract are the property of the County. These items must be returned to the County within ten (10) days, upon written notification to the Contractor. In the event of a failure to return the documents, the County is entitled to pursue any available legal remedies. In addition, the Contractor will be barred from all future solicitations, for a period of at least six (6) months.
47. **Iran Contracting Act** – IRAN CONTRACTING ACT OF 2010, Public Contract Code sections 2200 et seq. (Applicable for all Contracts of one million dollars (\$1,000,000) or more). In accordance with Public Contract Code section 2204(a), the Contractor certifies that at the time the Contract is signed, the Contractor signing the Contract is not identified on a list created pursuant to subdivision (b) of Public Contract Code section 2203 as a person (as defined in Public Contract Code section 2202(e)) engaging in investment activities in Iran described in subdivision (a) of Public Contract Code section 2202.5, or as a person described in subdivision (b) of Public Contract Code section 2202.5, as applicable.

Contractors are cautioned that making a false certification may subject the Contractor to civil penalties, termination of an existing contract, and ineligibility to bid on a contract for a period of three (3) years in accordance with Public Contract Code section 2205.

48. **Reserved**
49. **California Consumer Privacy Act** – To the extent applicable, if Contractor is a business that collects the personal information of a consumer(s) in performing Services pursuant to this Contract, Contractor must comply with the provisions of the California Consumer Privacy Act (CCPA) (California Civil Code sections 1798.100, et seq.). For purposes of this provision, "business," "consumer," and "personal information" shall have the same meanings as set forth at California Civil Code section 1798.140. Contractor must contact the County immediately upon receipt of any request by a consumer submitted pursuant to the CCPA that requires any action on the part of the County, including but not limited to, providing a list of disclosures or deleting personal information. Contractor must not sell, market or otherwise disclose personal information of a consumer provided by the County unless specifically authorized pursuant to terms of this Contract. Contractor must immediately provide to the County any notice provided by a consumer to Contractor pursuant to California Civil Code section 1798.150(b) alleging a violation of the CCPA that involves personal information received or maintained pursuant to this Contract. Contractor must immediately notify

the County if it receives a notice of violation from the California Attorney General pursuant to California Civil Code section 1798.155(b).

50. **Vacancies** – Contractor shall notify HACSB of any continuing vacancies and any positions that become vacant during the term of this Contract that will result in reduction of services to be provided under this Contract. Upon notice of vacancies, the Contractor shall apprise HACSB of the steps being taken to provide the services and to fill the position as expeditiously as possible. Vacancies and associated problems shall be reported to HACSB on each periodically required report for the duration of said vacancies and/or problems.

51. **Complaint and Grievance Procedure** – Contractor shall provide a system, approved by the HACSB and the County, through which recipients of service shall have the opportunity to express and have considered their views and complaints regarding the delivery of services. The procedure must be in writing and posted in clear view of all recipients.

Contractor will ensure that staff are knowledgeable on the San Bernardino County Human Services Complaint and Grievance Procedure (Attachment A) and ensure that any complaints by recipients are referred to the County in accordance with the procedure.

52. **Contractor Board of Directors' Meetings** – Contractor shall notify the HACSB and County of all upcoming meetings of the Board of Directors or other governing party and shall keep the County apprised of any and all actions taken by its Board of Directors which may impact the Contract. Board of Directors shall be submitted to HACSB and the County upon request. Further, a County representative shall have the option of attending Board meetings during the term of this Contract.

53. **Child Abuse Reporting** – Contractor shall ensure that all known or suspected instances of child abuse or neglect are reported to the appropriate law enforcement agency or to the appropriate Child Protective Services agency. This responsibility shall include:

- a. Assurance that all employees, agents, consultants or volunteers who perform services under this Contract and are mandated by Penal Code Sections 11164 et seq. to report child abuse or neglect, sign a statement, upon the commencement of their employment, acknowledging their reporting requirements and their compliance with them.
- b. Development and implementation of procedures for employees, agents, consultants, or volunteers who are not subject to the mandatory reporting laws for child abuse to report any observed or suspected incidents of child abuse to a mandated reporting party, within the program, who will ensure that the incident is reported to the appropriate agency.
- c. Provision for arrangement of training in child abuse reporting laws (Penal Code section 11164 et seq.) for all employees, agents, consultants, and volunteers, or verification that such persons have received training in the law within thirty (30) days of employment/volunteer activity.

54. **Elder and Dependent Adult Abuse Reporting** – Contractor agrees to and shall comply with the County's Elder and Dependent Adult Abuse Reporting requirements:

- a. **Who Must Report:** In accordance with Welfare and Institutions Code (W & I) Section 15630, all employees of the Contractor and its subcontractors are mandated reporters of elder and dependent adult abuse. Contractor assures all employees, agents, consultants or volunteers who perform services under this Contract and are mandated to report elder and dependent adult abuse will sign a statement (SOC 341A) at <http://www.cdss.ca.gov/cdssweb/entres/forms/English/SOC341A.pdf>, upon the commencement of their employment, acknowledging their reporting requirements and their compliance with them.
- b. **When to Report:** Mandated reporters are required to report all instances of known or suspected abuse of the elderly and dependent adults immediately or as soon as practically possible, under the following circumstances:
 - 1) When the mandated reporter has observed or has knowledge of an incident that reasonably appears to be physical abuse, abandonment, isolation, neglect, financial

- abuse, mental abuse, or sexual abuse; or
- 2) When the mandated reporter is told by an elder or dependent adult that he or she has experienced behavior constituting physical abuse, abandonment, isolation, neglect, financial abuse, mental abuse, or sexual abuse.
- c. To Whom to Report: Incidents of elder and dependent adult abuse must be reported to the correct agency as follows:
- 1) If the abuse has occurred in a long term care facility, except a state mental hospital or state developmental center, the report shall be made to the local Long Term Care Ombudsman or local law enforcement.
 - 2) If the abuse has occurred in a state mental hospital or state developmental center, the report shall be made to the designated investigators of the State Department of Mental Health or the State Department of Developmental Services or to the local law enforcement.
 - 3) If the abuse occurred anywhere other than a long term care facility or state mental hospital or state developmental center, the report shall be made to Adult Protective Services or local law enforcement.
- d. How to Report: Mandated reporters are required to take the following steps in all instances of known or suspected abuse of the elderly and dependent adults:
- 1) Place an immediate telephone call to Adult Protective services (1-877-565-2020) or local law enforcement to report the incident.
 - 2) Within two (2) working days of making the telephonic report to the responsible agency, complete a written "Report of Suspected Dependent Adult/Elder Abuse" (SOC 341) form, <http://www.cdss.ca.gov/Portals/9/FMUForms/Q-T/SOC341.pdf?ver=2018-11-15-132736-097>. The completed form must be submitted to the same agency to which the incident was reported by telephone.
55. **Reserved**
56. **Pro-Children Act of 1994** – Contractor will comply with the Environmental Tobacco Smoke/Pro-Children Act of 1994 (20 U.S.C. 6081 et seq.).
57. **Americans with Disabilities Act** – Contractor shall comply with all applicable provisions of the Americans with Disabilities Act (ADA).
58. **Public Accessibility** – Contractor shall ensure that Services provided are accessible by public transportation.
59. **Reserved**
60. **211 Registration** – Contractor shall register with 2-1-1 San Bernardino County Inland Empire United Way within thirty (30) days of the Contract effective date and follow necessary procedures to be included in the 2-1-1 database. The Contractor shall notify the 2-1-1 San Bernardino County Inland Empire United Way of any changes in program services, location or contact information within ten (10) days of any change. Services performed as a result of being included in the 2-1-1 database, are separate and apart from the services being performed under this Contract and payment for such services will not be the responsibility of HACSB or the County.
61. **Ownership Tools** – The State and County shall have all ownership rights in software or modifications thereof and associated documentation designed, developed or installed with federal financial participation. The Federal Government (Department of Health and Human Services) reserves a royalty free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use and to authorize others to use for Federal Government purposes, such software modification, and documentation. Proprietary software packages that are sold or leased to the general public are not subject to the ownership provisions.
62. **Force Majeure** – Neither party shall be liable for failure or delay to perform obligations under this

Contract, which have become practicably impossible because of circumstances beyond the reasonable control of the applicable party. Such circumstances include without limitation, natural disasters or acts of God; acts of terrorism; labor disputes or stoppages; war; government acts or orders; epidemics, pandemics or outbreak of communicable disease; quarantines; national or regional emergencies; or any other cause, whether similar in kind to the foregoing or otherwise, beyond the party's reasonable control. Written notice of a party's failure or delay in performance due to force majeure must be given to the other party no later than thirty (30) days following the force majeure event commencing, which notice shall describe the force majeure event and the actions taken to minimize the impact thereof. All delivery dates under this Contract affected by force majeure shall be tolled for the duration of such force majeure. The parties hereby agree, when feasible, not to cancel but reschedule the pertinent obligations and deliverables for mutually agreed dates as soon as practicable after the force majeure condition ceases to exist.

63. **Order of Precedence** – In the event of any inconsistency between the terms of this Contract and any forms, attachments, statements of work (SOW), or specifications which may be incorporated into this Contract, the following order of precedence shall apply:
- a. This Contract;
 - b. Attachments to this Contract, as indicated herein; and
 - c. Price lists, SOWs, and other documents attached hereto or incorporated herein.
64. **Equipment** – County discourages the purchase of equipment with funds received under this Contract. All equipment, materials, supplies or property of any kind (including publications and copyrights, etc.) which have a single unit cost of five hundred dollars (\$500) or more, including tax, purchased with funds received under the terms of this Contract and not fully consumed in one (1) year shall be the property of County and shall be subject to the provisions of this paragraph. The disposition of equipment or property of any kind shall be determined by County upon Contract termination.
65. **Supersedes Prior Agreements** – This Contract supersedes and replaces all previous contracts, agreements and understandings, oral, written and implied, between the County and Contractor hereto with respect to the subject matter hereof. All such prior contracts, agreements and understandings are hereby terminated and deemed of no further force or effect.
66. **Executive Order N-6-22 Russian Sanctions** – On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine (<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions>), as well as any sanctions imposed under state law (<https://www.dgs.ca.gov/OLS/Ukraine-Russia>). The EO directs state agencies and their contractors (including by agreement or receipt of a grant) to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should it be determined that Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. Contractor shall be provided advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the County.
67. **Levine Act - Campaign Contribution Disclosure (formerly referred to as Senate Bill 1439)** – Contractor has disclosed to the County using Levine Act - Campaign Contribution Disclosure Form (formerly referred to as Senate Bill 1439), whether it has made any campaign contributions of more than \$500 to any member of the Board of Supervisors within the earlier of: (1) the date of the submission of Contractor's proposal to the County, or (2) twelve (12) months before the date this Contract was approved by the Board of Supervisors. Contractor acknowledges that under Government Code section 84308, Contractor is prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors for twelve (12) months after the County's consideration of the Contract.

In the event of a proposed amendment to this Contract, the Contractor will provide the County a written statement disclosing any campaign contribution(s) of more than \$500 to any member of the Board of Supervisors within the preceding twelve (12) months of the date of the proposed amendment.

Campaign contributions include those made by any agent/person/entity on behalf of the Contractor or by a parent, subsidiary or otherwise related business entity of contractor.

D. TERM OF CONTRACT

1. This Contract is effective as of July 1, 2025, and expires on May 31, 2028, serving as both the performance and budget period. It may be terminated earlier in accordance with the provisions of this Contract. The Contract term may be extended for two (2) additional one-year periods by mutual agreement of the parties.
2. HACSB may terminate the Contract immediately if the funds under Section F Paragraph 1 are not available to HACSB, and under the provisions of Section I, Paragraph 3, Item e, of the Contract, or as otherwise provided in this Contract. In addition, the Contract may be terminated without cause by HACSB or the County by serving a written notice to the Contractor thirty (30) days in advance of termination. HACSB's Executive Director is authorized to exercise HACSB's rights with respect to any termination of this Contract.
3. Contractor shall only be reimbursed for costs and uncancellable obligations incurred prior to the date of termination. Contractor shall not be reimbursed for costs incurred after the date of termination.
4. Upon receipt of termination notice Contractor shall promptly discontinue services unless the notice directs otherwise. Contractor shall deliver promptly to HACSB and the County and transfer title (if necessary) all completed work, and work in progress, including drafts, documents, plans, forms, data, products, graphics, computer programs and reports.

E. COUNTY RESPONSIBILITIES PER TAD CONTRACT

County shall:

1. Provide a Homeless Assistance EW to determine if customers who may be homeless or at risk of homelessness are potentially eligible for an HSP referral. Information regarding a customer's potential eligibility to HSP can be obtained at application, Re-Evaluation (RE), SAR 7 Eligibility Status Report (SAR 7), when the customer reports a change of address and/or living arrangement, or at any other time.
2. Provide TAD office space for the subcontractor's Service Coordinators and Intake Specialists at locations and hours as mutually agreed upon.
3. Refer CalWORKs customers who have been identified as meeting the HSP criteria to the Intake Specialist.
4. Obtain a Release of Information (ABCDM 228 – KEYS) from each customer referred to HSP.
5. Move CalWORKs families into housing directly from streets and shelters without preconditions of treatment, acceptance or compliance.
6. Inform all customers of their rights, responsibilities, and applicable regulations as part of the eligibility determination to CalWORKs.
7. Notify subcontractor via the HSP Communications Form (HSP 33) whenever a customer is dropped from the HSP before completing it or becomes ineligible for CalWORKs funded services. Customer will be allowed to continue services through the end of the notification month.
8. Meet monthly with Contractor to coordinate and evaluate policies concerning the program.
9. Provide training to Contractor, as necessary.
10. Track demographic and assistance information at the case and person level for CalWORKs and CalFresh cases.
11. Verify the monthly report submitted by Contractor to ensure all customers are eligible for HSP

services.

12. Reimburse Contractor for the cost of providing HSP services, provided it does not exceed the amount listed in Section F, Paragraph 1.

F. FISCAL PROVISIONS

1. The maximum amount of reimbursement under this Contract shall not exceed \$16,434,760, which may be federally funded, and shall be subject to availability of other funds to the County and HACSB. The consideration to be paid to Contractor, as provided herein, shall be in full payment for all Contractor's services and expenses incurred in the performance hereof, including travel and per diem.
2. Reimbursement under this Contract shall be based on a cost reimbursement method and is limited to the obligations and expenditures specified in the Program Budget, included as Attachment C. Such expenditures shall be further limited to those that are considered both reasonable and necessary, meaning the nature and amount does not exceed what an ordinary prudent person in the conduct of competitive business would incur.
3. Reimbursement for services shall occur on a monthly basis for approved services provided by Contractor. Contractor will provide a monthly invoice to HACSB by the 10th calendar day of the month following the month of service. Contractor shall be paid upon the submission of invoices to HACSB. The monthly invoice shall consist of the actual invoice and an excel file that includes each case number, case name, aide code, employment status, and grant amount for all cases receiving a grant in the month of service.
4. Contractor shall accept all payments from HACSB via electronic funds transfer (EFT) directly deposited into the Contractor's designated checking or other bank account. Contractor shall promptly comply with directions and accurately complete forms provided by HACSB required to process EFT payments.
5. HACSB is exempt from federal excise taxes and no payment shall be made for any personal property taxes levied on Contractor or on any taxes levied on employee wages. HACSB shall only pay for any state or local sales or use taxes on the services rendered or equipment and/or parts supplied to HACSB pursuant to the Contract.
6. Funds made available under this Contract shall not supplant any federal, state or any governmental funds intended for services of the same nature as this Contract. Contractor shall not claim reimbursement or payment from HACSB for, or apply sums received from HACSB with respect to that portion of its obligations that have been paid by another source of revenue. Contractor agrees that it will not use funds received pursuant to this Contract, either directly or indirectly, as a contribution or compensation for purposes of obtaining funds from another revenue source without prior written approval of HACSB.
7. Contractor shall adhere to HACSB's Travel Policy when travel is pursuant to this Contract and for which reimbursement is sought from HACSB. In addition, Contractor is encouraged to utilize local transportation services, including but not limited to, the Ontario International Airport.
8. Upon written demonstration of need by Contractor and at the option of HACSB, funds may be advanced to Contractor by HACSB upon approval of the Executive Director. Any such advance will cause the amounts payable to Contractor in subsequent months to be reduced to the amount determined by dividing the balance left by the number of months remaining in the contract term. No advance will increase the amount shown in Paragraph 1 of this Section. In the event of early termination, the Contractor shall pay the remaining balance due to HACSB within thirty (30) calendar days.
9. Federally funded nonprofit Contractors may elect to include an Indirect Cost Rate in the cost reimbursement contract budget, and have the following four (4) options to recover costs expended in the process of managing the federal awards:
 - a. Apply the current federally negotiated indirect cost rate that has been approved by a federal cognizant agency; or
 - b. Apply a state negotiated indirect cost rate or a rate negotiated between the pass through entity

and the subrecipient; or

- c. Elect to use a flat de minimis rate of fifteen percent (15%) of Modified Total Direct Costs (MTDC) under the guidelines below; or
- d. Charge costs directly (Direct Charge) as long as those costs are charged the same consistently across all federal awards. Administrative and clerical salaries should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met: 1) services are integral to a project or activity; 2) individuals involved can be specifically identified with the project or activity; 3) costs are explicitly included in the budget or have the prior written approval of awarding agency; and 4) the costs are not also recovered as indirect costs.

10. Contractors that elect to use the flat de minimis rate must:

- a. Have never held a negotiated rate,
- b. Not be a state or local government or Indian Tribe receiving over \$35 million in direct federal funding, and
- c. Use the rate consistently across all federal awards until such time Contractor chooses to negotiate a different rate.

The fifteen percent (15%) rate is not an additional amount over and above the total awarded contract dollar amount.

The rate shall be based off the MTDC, meaning all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and subcontracts up to the first \$25,000.

MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, and participant support costs.

For additional information, please refer to Office of Management and Budget (OMB) 2 CFR 200.412 – Classification of Costs at [2 CFR § 200.412 - Classification of costs. - Content Details - CFR-2024-title2-vol1-sec200-412](#) and 2 CFR 200.68 – Modified Total Direct Costs at [2 CFR § 200.68 - Modified Total Direct Cost \(MTDC\). - Content Details - CFR-2021-title2-vol1-sec200-68](#).

11. The Contractor shall request a budget amendment, in writing, in advance of expenditures: 1) when aggregate expenditures are expected to exceed an approved budgeted line item by more than fifteen (15%) percent; or 2) to add a new budget line item. No budget revision may result in an increase of the maximum dollar amount stated in Paragraph 1 of this Section. The written request must specify the changes requested, by line item and amount, and must include justification. Prior to implementation of a budget revision, HACSB and the County shall approve (or deny) the budget revision request. HACSB and the County has the authority to approve line item budget changes to the budget herein, as long as these changes do not exceed the total contract amount. HACSB and County shall notify the Contractor in writing of the status of the budget revision request within fourteen (14) calendar days of receipt of the Contractor's written request. The County reserves the right to deny the Contractor's invoice for expenditures in excess of the approved budgeted line item amount.

G. INDEMNIFICATION AND INSURANCE REQUIREMENTS

- 1. **Indemnification** – The Contractor shall indemnify, defend (with counsel reasonably approved by County) and hold harmless HACSB and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability arising out of this Contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by HACSB on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. The Contractor indemnification obligation applies to the County's "active" as well as "passive" negligence but does not apply to the County's "sole negligence" or "willful misconduct" within the meaning of Civil Code section 2782.
- 2. **Additional Insured** – All policies, except for Worker's Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming the County and its

officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for HACSB to vicarious liability but shall allow coverage for HACSB to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

3. **Waiver of Subrogation Rights** – The Contractor shall require the carriers of required coverages to waive all rights of subrogation against HACSB, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Contractor and Contractor's employees or agents from waiving the right of subrogation prior to a loss or claim. The Contractor hereby waives all rights of subrogation against HACSB.
4. **Policies Primary and Non-Contributory** – All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by HACSB.
5. **Severability of Interests** – The Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the Contractor and HACSB or between HACSB and any other insured or additional insured under the policy.
6. **Proof of Coverage** – The Contractor shall furnish Certificates of Insurance to HACSB Department administering the Contract evidencing the insurance coverage at the time the Contract is executed, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this contract, the Contractor shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.
7. **Acceptability of Insurance Carrier** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII".
8. **Deductibles and Self-Insured Retention** – Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.
9. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Contract does not comply with the requirements, is not procured, or is canceled and not replaced, HACSB has the right but not the obligation or duty to cancel the Contract or obtain insurance if it deems necessary and any premiums paid by HACSB will be promptly reimbursed by the Contractor or County payments to the Contractor will be reduced to pay for County purchased insurance.
10. **Insurance Review** – Insurance requirements are subject to periodic review by HACSB. HACSB's Executive Director or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of HACSB. In addition, if the HACSB's Executive Director determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, HACSB's Executive Director or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against HACSB, inflation, or any other item reasonably related to the County's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this contract. Contractor agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of HACSB to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part

of HACSB.

11. **Insurance Specifications** – The Contractor agrees to provide insurance set forth in accordance with the requirements herein. If the Contractor uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Contractor agrees to amend, supplement or endorse the existing coverage to do so.

Without in anyway affecting the indemnity herein provided and in addition thereto, the Contractor shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

- a. Workers' Compensation/Employer's Liability – A program of Workers' Compensation insurance or a state approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of the Contractor and all risks to such persons under this contract.

If Contractor has no employees, it may certify or warrant to HACSB that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Director of Risk Management.

With respect to Contractors that are nonprofit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

- b. Commercial/General Liability Insurance – The Contractor shall carry General Liability Insurance covering all operations performed by or on behalf of the Contractor providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- 1) Premises operations and mobile equipment.
- 2) Products and completed operations.
- 3) Broad form property damage (including completed operations).
- 4) Explosion, collapse and underground hazards.
- 5) Personal injury.
- 6) Contractual liability.
- 7) \$2,000,000 general aggregate limit.

- c. Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If the Contractor is transporting one (1) or more nonemployee passengers in performance of contract services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence. If the Contractor owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

- d. Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

- e. Professional Liability – Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim and two million (\$2,000,000) aggregate limits.

or

Errors and Omissions Liability Insurance – Errors and Omissions Liability Insurance with limits of not less than one million (\$1,000,000) and two million (\$2,000,000) aggregate limits.

or

Directors and Officers Insurance coverage with limits of not less than one million (\$1,000,000) shall be required for Contracts with charter labor committees or other not for profit organizations advising or acting on behalf of HACSB.

If insurance coverage is provided on a “claims made” policy, the “retroactive date” shall be shown and must be before the date of the start of the Contract work. The claims made insurance shall be maintained or “tail” coverage provided for a minimum of five (5) years after contract completion.

- f. **Cyber Liability Insurance** – Cyber Liability Insurance with limits of no less than \$1,000,000 for each occurrence or event with an annual aggregate of \$2,000,000 covering privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. The policy shall protect the involved HACSB entities and cover breach response cost as well as regulatory fines and penalties.
 - g. **Abuse/Molestation Insurance** – Contractor shall have abuse or molestation insurance providing coverage for all employees for the actual or threatened abuse or molestation by anyone of any person in the care, custody, or control of any insured, including negligent employment, investigation and supervision. The policy shall provide coverage for both defense and indemnity with liability limits of not less than one million dollars (\$1,000,000) with a two million dollars (\$2,000,000) aggregate limit.
12. **Self-Insured** – If the Contractor or HACSB is self-insured for purposes of professional liability, general liability, and Workers’ Compensation, the self-insured Contractor or HACSB warrants that through its program of self-insurance, it has adequate professional liability, general liability and Workers’ Compensation to provide coverage for liabilities arising out of Contractor’s or HACSB’ performance of this Contract.

H. RIGHT TO MONITOR AND AUDIT

- 1. Contractor shall cooperate with HACSB and County in the implementation, monitoring, and evaluation of this Contract and comply with any and all reporting requirements established this contract, including the Compliance Monitoring Plan (Attachment D).
- 2. HACSB, County, State and Federal government shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have absolute right to monitor the performance of Contractor in the delivery of services provided under this Contract. Contractor shall give full cooperation, in any auditing or monitoring conducted. Contractor shall cooperate with the County in the implementation, monitoring, and evaluation of this Contract and comply with any and all reporting requirements established by HACSB and the County.
- 3. All records pertaining to services delivered and all fiscal, statistical and management books and records shall be available for examination and audit by HACSB and County representatives for a period of three years after final payment under this Contract or until all pending HACSB, County, state and federal audits are completed, whichever is later. Records of the Contractor which do not pertain to the services under this Contract may be subject to review or audit unless provided in this or another Contract. Technical program data shall be retained locally and made available upon HACSB’s and the County’s reasonable advance written notice or turned over to HACSB and the County. If said records are not made available at the scheduled monitoring visit, Contractor may, at HACSB and County’s option, be required to reimburse HACSB and the County for expenses incurred due to required rescheduling of monitoring visit(s). Such reimbursement will not exceed \$50 per hour (including travel time) and may be deducted from the following month’s claim for reimbursement.
- 4. Contractor shall cooperate with HACSB and the County in the implementation, monitoring and

evaluation of this Contract and comply with any and all reporting requirements established by this Contract.

5. Contractor shall provide all reasonable facilities and assistance for the safety and convenience of HACAB and County's representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work of the Contractor.
6. Upon HACSB and/or County request, Contractor shall hire a licensed Certified Public Accountant, approved by the County, who shall prepare and file with County, within sixty (60) days after the termination of the Contract, a certified fiscal audit of related expenditures during the term of the Contract and a program compliance audit.
7. Pursuant to Code of Federal Regulations (CFR) – Title 2 CFR 200.501, contractors expending \$1,000,000 or more in federal funds within the Contractor's fiscal year must have a single audit or program specific audit performed. A copy of the audit performed in accordance with Title 2 CFR 200.501 shall be submitted to the County within thirty (30) days of completion, but no later than nine (9) months following the end of the Contractor's fiscal year. Please refer to http://www.ecfr.gov/cgi-bin/text-idx?node=se2.1.200_1501&rgn=dv8 for further information.
8. The following closely related programs identified by the Assistance Listing Number (ALN) are to be considered as an "Other cluster" for purposes of determining major programs or whether a program specific audit may be elected. The Contractor shall communicate this information to the independent auditor conducting the organization's single audit.

US Department of Health and Human Services:
93.558 - Temporary Assistance for Needy Families (TANF)

9. County is required to identify the Contractor Unique Entity Identification (UEI) number, as known in the federal System for Award Management (SAM), and Federal Award Identification Number (FAIN) in all County contracts that include federal funds or pass through of federal funds. This information is required in order for the County to remain in compliance with Title 2 CFR Section 200.331 and remain eligible to receive federal funding. The Contractor shall provide the Contractor name as registered in SAM, as well as the UEI number to be included in this Contract. Related FAIN will be included in this Contract by the County.

Contractor Name as registered in SAM	Knowledge, Education For Your Success, Inc
UEI	035-019-381
FAIN	1801CATANF

I. CORRECTION OF PERFORMANCE DEFICIENCIES

1. In the event of a problem or potential problem that could impact the quality or quantity of work, Services, or the level or performance under this Contract, Contractor shall notify the HACSB within one (1) working day, in writing and by telephone.
2. Failure by Contractor to comply with any of the provisions, covenants, requirements or conditions of this Contract shall be a material breach of this Contract.
3. In the event of a noncured breach, HACSB may, at its sole discretion and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:
 - a. Afford Contractor thereafter a time period within which to cure the breach, which period shall be established at the sole discretion of HACSB and County; and/or
 - b. Discontinue reimbursement to Contractor for and during the period in which Contractor is in breach, which reimbursement shall not be entitled to later recovery; and/or
 - c. Withhold funds pending duration of the breach; and/or
 - d. Offset against any monies billed by Contractor but yet unpaid by HACSB those monies disallowed pursuant to Item "b" of this paragraph; and/or
 - e. Terminate this Contract immediately and be relieved of the payment of any consideration to

Contractor. In the event of such termination, HACSB and the County may proceed with the work in any manner deemed proper by HACSB and the County. The cost to the HACSB or County shall be deducted from any sum due to the Contractor under this Contract and the balance, if any, shall be paid by the Contractor upon demand.

4. Unless a remedy is specifically designated as exclusive, no remedy conferred by any of the specific provision of the Contract is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder, now or hereafter existing at law or in equity or by statute or otherwise. The election of any one (1) or more remedies by either Party shall not constitute a waiver of the right to pursue other available remedies.

J. EQUAL EMPLOYMENT/EMPLOYMENT DISCRIMINATION/CIVIL RIGHTS

1. Equal Employment Opportunity Program - Contractor agrees to comply with: the provisions of the San Bernardino County Equal Employment Opportunity Program and rules and regulations adopted pursuant thereto; Executive Order 11246 [30 Fed. Reg. 12319 (Sept. 24, 1965)], as amended by Executive Orders 11375, 11625, 12138, 12432, 12250, and 13672; Title VII of the Civil Rights Act of 1964 (42 U.S.C. section 2000(e), et seq.); Division 21 of the California Department of Social Services Manual of Policies and Procedures; California Welfare and Institutions Code section 10000; the California Fair Employment and Housing Act (Cal. Gov. Code section 12900, et seq.); and other applicable federal, state, and County laws, regulations and policies relating to equal employment or social services to welfare recipients, including laws and regulations hereafter enacted.

The Contractor shall not unlawfully discriminate against any employee, applicant for employment, or service recipient on the basis of race, color, national origin or ancestry, religion, sex, marital status, age, political affiliation or disability. Information on the above rules and regulations may be obtained from the County.

2. Employment Discrimination – During the term of the Contract, Contractor shall not discriminate against any employee or applicant for employment or service recipient because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age, or military and veteran status. Contractor shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, 13672, Title VI and Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act and other applicable federal, state and County laws and regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.
3. Civil Rights Compliance – The Contractor shall develop and maintain internal policies and procedures to assure compliance with each factor outlined by state regulation. These policies must be developed into a Civil Rights Plan, which is to be on file with the County within thirty (30) days of awarding of the Contract. The Plan must address prohibition of discriminatory practices, accessibility, language services, staff development and training, dissemination of information, complaints of discrimination, compliance review, and duties of the Civil Rights Liaison. Upon request, the County will supply a sample of the Plan format. The Contractor will be monitored by the County for compliance with provisions of its Civil Rights Plan. Additionally, the Contractor shall submit to County an Assurance of Compliance with the California Department of Social Services Nondiscrimination in State and Federally Assisted Programs Statement (Attachment B) annually.
4. Equity – Contractor shall adhere to and participate in HACSB's efforts ensuring all individuals and communities have equal access and opportunity to health and wellbeing by providing culturally and linguistically appropriate services to all people of color and culture, age, disabilities, gender, sexual orientation or gender identity including people with limited English proficiency (LEP). Services provided must be respectful of and responsive to the cultural and linguistic needs of San Bernardino County residents.
 - a. Contractor shall assess the demographic makeup and population trends of its service area to identify the cultural and linguistic needs of the eligible service population. Such studies are critical to designing and planning for providing appropriate, effective and equitable services.

- b. Contractor shall partner with and support community partners in addressing disparities in family stability, health and mental wellness, education, employment, housing and overall delivery of human services. Partnering includes opportunities for partners and community members to design, implement and evaluate practices, and services ensuring equity and cultural and linguistic appropriateness.
- c. Contractor shall work with County to communicate and provide opportunities for individuals and communities of color and culture to provide feedback on progress and outcomes achieved to address disparities in family stability, health and mental wellness, education, employment, housing and overall delivery of human services.
- d. Contractor shall recruit, promote and support a culturally and linguistically diverse workforce that is responsive to and represents the population being served. This includes trained and competent bilingual staff.
- e. Contractor shall provide training to enhance its workforce knowledge on cultural and linguistic competence. Becoming culturally and linguistically competent is a developmental process and incorporates at all levels the importance of culture, the assessment of cross cultural relations, vigilance towards the dynamics that result from cultural differences, the expansion of cultural knowledge, and the adaptation of services to meet culturally unique needs. Providing services in a culturally appropriate and responsive manner is fundamental in any effort to ensure success of high quality and cost effective health and human services. Offering those services in a manner that fails to achieve its intended result due to cultural and linguistic barriers does not reflect quality of care and is not cost effective.
- f. To ensure equal access to quality care for diverse populations, Contractors providing health and health care services may adopt the Federal Office of Minority Health Culturally and Linguistically Appropriate Services (CLAS) national standards.
- g. Upon request, Contractor will provide HACSB evidence of adherence to requirements listed above.

K. NOTICES

All written notices provided for in this Contract or which either party desires to give to the other shall be deemed fully given, when made in writing and either served personally, or by facsimile, or by email, or deposited in the United States mail, postage prepaid, and addressed to the other party as follows:

Contractor: Knowledge, Education For Your Success, Inc.
Attn: Shaniqua Freeman
680 S. Waterman Ave.
San Bernardino, CA 92408

HACSB: Housing Authority of the County of San Bernardino
Attn: Maria Razo
715 E. Brier Dr.
San Bernardino, CA 92408

Notice shall be deemed communicated two (2) HACSB working days from the time of mailing, facsimile, or email, if delivered as provided in this paragraph.

L. ENTIRE AGREEMENT

- 1. This Contract, including all Exhibits and other attachments, which are attached hereto and incorporated by reference, and other documents incorporated herein, represents the final, complete and exclusive agreement between the parties hereto. Any prior agreement, promises, negotiations or representations relating to the subject matter of this Contract not expressly set forth herein are of no force or effect. This Contract is executed without reliance upon any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein. Each party has carefully read this Contract and signs the same of its own free will.

2. This Contract 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 Contract. The parties shall be entitled to sign and transmit an electronic signature of this Contract (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 Contract upon request.

CONCLUSION

- A. This Contract, consisting of 30 pages and Attachments A, B, C, and D is the full and complete document describing services to be rendered by Contractor to HACSB, including all covenants, conditions, and benefits.
- B. The signatures of the Parties affixed to this Contract affirm that they are duly authorized to commit and bind their respective institutions to the terms and conditions set forth in this document.
- C. This Contract 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 Contract. The parties shall be entitled to sign and transmit an electronic signature of this Contract (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 Contract upon request.
- D. IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and Contractor have each caused this Contract to be subscribed in its behalf by its duly authorized officers, the day, month, and year written.

KNOWLEDGE AND EDUCATION FOR YOUR SUCCESS, INC. (KEYS)

Signature

Shanikqua Freeman
Executive Director

Date

THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

Signature

Maria Razo
Executive Director

Date



Human Services

COMPLAINT AND GRIEVANCE PROCEDURE

INSTRUCTIONS: THE CUSTOMER IS TO READ AND RECEIVE THE TOP PORTION OF THIS FORM. THE BOTTOM PORTION OF THE FORM IS TO BE SIGNED BY SERVICE RECIPIENT AND PLACED IN THE CONTRACTOR'S RECORDS.

If you believe you have been discriminated against, or that there has been a violation of any laws or regulations, or if you have a problem regarding services received, you have the right to file a complaint or tell us your grievance.

The following procedures are to be followed when filing a complaint or grievance.

STEP ONE:

Write down your complaint or grievance and talk to the service provider. Keep a copy for yourself and write down the date you talked to the service provider.

If answered or resolved at this step, nothing further is required.

If no answer or resolution within 10 calendar days, proceed with Step Two.

STEP TWO:

Send a copy of your written complaint or grievance or discuss the complaint or grievance with your County Caseworker. Write down the date you spoke to your Caseworker or send the complaint and keep it with your copy.

- If answered or resolved at this step, nothing further is required.
- If no answer or resolution within 10 calendar days, proceed with Step Three.

STEP THREE:

Send a copy of your written complaint or grievance to the Program Specialist. If you would like a response, include your name, address and telephone number. Your personal information and your complaint and grievance details will be kept confidential.

HS Program Development Division
ATTN: Contracts Support Unit
825 E. Hospitality Lane, 2nd Floor
San Bernardino, CA 92415-0079

- If answered or resolved at this step, nothing further is required.
- If no answer or resolution within 10 calendar days, proceed with Step Four.

STEP FOUR:

Send a copy of your written complaint or grievance to the Contract Analyst at:

HS Administrative Support Division,
Contracts Unit
150 S. Lena Road
San Bernardino, CA 92415-0515

You will be contacted within 10 calendar days if you have provided contact information.

Please note: Each of these steps must be completed in the sequence shown.

..... **Detach here**

COMPLAINT AND GRIEVANCE PROCEDURE CERTIFICATION

This certifies I have read, understood, and received the Complaint and Grievance Procedures.

Client Signature

Date



PROCEDIMIENTO PARA DENUNCIAS Y QUEJAS

INSTRUCCIONES: EL CLIENTE DEBE leer y recibir la parte superior de este formulario. La parte inferior del formulario debe ser firmado por el recipiente del servicio y colocarlo en los archivos del contratista.

Si cree que ha sido discriminado o que, habido una violación de leyes o regulaciones, o si tiene un problema con respecto a los servicios que recibió, usted tiene el derecho de presentar una denuncia o informarnos de su queja.

Se deben seguir los siguientes procedimientos al presentar una denuncia o queja.

PRIMER PASO:

Escriba su denuncia o queja por escrito y hable con el proveedor de servicios. Guarde una copia para usted y escriba la fecha en que habló con el proveedor de servicios.

- Si en este paso recibió respuesta o resolvió el problema, no se requiere hacer nada más.
- Si no hay respuesta o resolución dentro de los 10 días calendarios, siga al Segundo Paso.

SEGUNDO PASO:

Mande una copia de su denuncia o queja por escrito o hable con su Trabajador encargado del Caso del Condado sobre su denuncia o queja. Escriba la fecha en que habló con su Trabajador de Caso o cuando envió su queja por escrito y manténgala con su copia en sus archivos.

- Si en este paso recibió respuesta o resolvió el problema, no se requiere hacer nada más.
- Si no hay respuesta o resolución dentro de los 10 días calendarios, siga al Tercer Paso.

TERCER PASO:

Mande una copia de su denuncia o queja por escrito al Especialista de Programa. Si desea una respuesta, incluya su nombre, dirección y número de teléfono. Su información personal y los detalles de su denuncia o queja se mantendrán confidencial.

HS Program Development Division,
ATTN: Contracts Support Unit
825 E. Hospitality Lane, 2nd Floor
San Bernardino, CA 92415-0079

- Si en este paso recibió respuesta o resolvió el problema, no se requiere hacer nada más.
- Si no hay respuesta o resolución dentro de los 10 días calendarios, siga al Cuarto Paso.

CUARTO PASO:

Mande una copia de su denuncia o queja por escrito al Analista de Contratos a:

HS Administrative Support Division
Contracts Unit
150 S. Lena Road
San Bernardino, CA 92415-0515

Será contactado dentro de 10 días calendarios si ha proporcionado su información de contacto.

Por favor note: Cada uno de estos pasos deben ser completados en la orden que se indica.

..... **Separar aquí.**

CERTIFICACIÓN DEL PROCEDIMIENTO PARA DENUNCIAS Y QUEJAS

Esto certifica que he leído, entendido, y he recibido el Procedimiento para Denuncias y Quejas.

Firma del Cliente

Fecha

ASSURANCE OF COMPLIANCE STATEMENT**ASSURANCE OF COMPLIANCE WITH THE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
NONDISCRIMINATION IN STATE AND FEDERALLY ASSISTED PROGRAMS****KNOWLEDGE. EDUCATION FOR YOUR SUCCESS. INC.**

NAME OF THE CONTRACTING AGENCY

(Hereinafter called the "Agency")

HEREBY AGREES THAT it will comply with Title VI and VII of the Civil Rights act of 1964 as amended; Section 504 of the Rehabilitation Act of 1973 as amended; the Age Discrimination Act of 1975 as amended; the Food Stamp Act of 1977, as amended and in particular section 272.6; Title II of the Americans with Disabilities Act of 1990; California Civil Code Section 51 et seq., as amended; California Government Code section 11135-11139.8, as amended; California Government Code section 12940; California Government Code section 4450; Title 2, California Code of Regulations sections 11140-11200; Title 24 of the California Code of Regulations, Section 3105A(e); the Dymally-Alatorre Bilingual Services Act (California Government Code Section 7290-7299.8); Section 1808 of the Removal of Barriers to Interethnic Adoption Act of 1996; and other applicable federal and state laws, as well as their implementing regulations [including 45 Code of Federal Regulations (CFR) Parts 80, 84, and 91, 7 CFR Part 15, and 28 CFR Part 42], by ensuring that employment practices and the administration of public assistance and social services programs are nondiscriminatory, to the effect that no person shall because of ethnic group identification, age, sex, sexual orientation, gender identity, color, disability, medical condition, national origin, race, ancestry, marital status, religion, religious creed, political belief, or other applicable protected basis be excluded from participation in or be denied the benefits of, or be otherwise subject to discrimination under any program or activity receiving federal or state assistance; and HEREBY GIVES ASSURANCE THAT, it will immediately take any measures necessary to effectuate this agreement.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all federal and state assistance; and THE AGENCY HEREBY GIVES ASSURANCE THAT administrative methods/procedures which have the effect of subjecting individuals to discrimination or defeating the objectives of the California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP) Chapter 21, will be prohibited.

BY ACCEPTING THIS ASSURANCE, the Agency agrees to compile data, maintain records and submit reports as required, to permit effective enforcement of the aforementioned laws and regulations and permit authorized CDSS and/or federal government personnel, during normal working hours, to review such records, books and accounts as needed to ascertain compliance. If there are any violations of this assurance, CDSS shall have the right to invoke fiscal sanctions or other legal remedies in accordance with Welfare and Institutions Code Section 10605, or Government Code Section 11135-11139.8, or any other laws, or the issue may be referred to the appropriate federal agency for further compliance action and enforcement of this assurance.

THIS ASSURANCE is binding on the Agency directly or through contract, license, or other provider services, as long as it receives federal or state assistance; and shall be submitted annually with the required Civil Rights Plan Update.

DATE_____
SIGNATURE_____
ORGANIZATION

CalWORKs HOUSING SUPPORT PROGRAM BUDGET
July 1, 2025 – May 31, 2028

FUNDING CATEGORY	25/26	26/27	27/28	CUMULATIVE TOTAL (3-Year Period)
I. DIRECT FINANCIAL ASSISTANCE (65%)				
1. PERM HOUSING	\$2,680,729	\$2,131,479	\$2,131,479	\$6,943,686
2. PREVENTION	\$1,278,501	\$1,016,551	\$1,016,551	\$3,311,604
3. INTERIM	\$206,210	\$163,960	\$163,960	\$534,130
I. DIRECT FINANCIAL ASSISTANCE TOTAL	\$4,124,198	\$3,279,198	\$3,279,198	\$10,682,594
II. CASE MANAGEMENT (18%)				
1. PERSONNEL	\$1,142,086	\$908,086	\$908,086	\$2,958,257
II. CASE MANAGEMENT TOTAL	\$1,142,086	\$908,086	\$908,086	\$2,958,257
III. ADMIN/SUPPORT EXPENSES (17%)				
1. PROGRAM MANAGEMENT	\$215,727	\$171,527	\$171,527	\$558,782
2. PERSONNEL OTHER	\$733,473	\$583,193	\$583,193	\$1,899,858
3. DATA COLLECTION/TRACKING	\$129,436	\$102,916	\$102,916	\$335,269
III. ADMIN/SUPPORT EXPENSES TOTAL	\$1,078,636	\$857,636	\$857,636	\$2,793,909
GRANT TOTAL (BY YEAR)	\$6,344,920	\$5,044,920	\$5,044,920	\$16,434,760

COMPLIANCE MONITORING PLAN OUTLINE

In accordance with Section H. Right to Monitor of the Agreement, HACSB will perform monitoring of the performance of Contractor to ensure compliance with grant program requirements and other requirements as outlined in the Agreement. Monitoring shall include, but is not limited to, the following:

Financial Monitoring

- Monthly
 - Review of monthly HSP program invoice
 - Confirm posting of all entries for budget tracking
 - Review monthly income statement
 - Review monthly balance sheet postings
 - Confirm monthly credit card reconciliation is complete
 - Confirm monthly bank reconciliations are complete
 - Ensure HSP grant pre-payment from HACSB is reconciled.
- Annually
 - Transaction testing
 - Review and analysis of income statement
 - Review of annual budget
 - Confirm filing of 990's.
 - Confirm annual independent audit is on track for timely completion.

Program Monitoring

- Monthly
 - Review budget to confirm grants are not overspent or underspent.
- Annually
 - Sample testing of case files for compliance with:
 - Required documents
 - Rent guidelines
 - Housing First guidelines
 - HMIS data entry requirements
 - Rental assistance duration limitations
 - Complaint procedures

Administrative Monitoring

- Annually
 - Audit of salaries to ensure in line with salary schedule
 - Review of job descriptions
 - Review of personnel policies and other documentation to ensure compliance with legal requirements, HACSB and County's Equal Employment Opportunity Program, Employment Discrimination, Civil Rights Compliance requirements, and Americans with Disabilities Act (ADA), etc.
 - Review documentation of compliance with requirements for staff, volunteers and/or subcontractors specified in the Agreement
 - Review documentation of compliance with insurance requirements specified in the Agreement
 - Obtain and review the Civil Rights Plan
- As Needed
 - Oversight/review of any harassment, discrimination or legal items that have come up.

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

June 10, 2025

FROM

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

SUBJECT

Violence Against Women Act Emergency Transfer Plan

RECOMMENDATION(S)

Approve a revised Violence Against Women Act Emergency Transfer Plan for the Housing Authority of the County of San Bernardino.

(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 #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 the proposed Violence Against Women Act (VAWA) Emergency Transfer Plan has no direct financial impact to the Housing Authority of the County of San Bernardino's (HACSB) FY 25 budget.

BACKGROUND INFORMATION

On August 10, 2021, the Board of Commissioners approved HACSB's VAWA Emergency Transfer Plan (Plan) to ensure the safety of tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. The Plan allows tenants who are victims of these forms of violence to request an emergency transfer to another unit within HACSB's housing portfolio. The eligibility for such transfers is contingent upon documentation of the victimization and available safe housing units. HACSB's Plan was developed using the U.S. Department of Housing and Urban Development's (HUD) Model Emergency Transfer Plan. HUD recently updated the model plan, as well as other other VAWA documents. Changes to HUD's model plan included new definitions, revised confidentiality and documentation provisions, and more information on the timing and availability of emergency transfers. HUD's model plan was also reorganized and had numerous wording changes throughout the document.

Staff prepared a new Plan based on HUD's revised model plan to ensure that the HACSB's Plan contained all necessary revisions. The revised Plan also includes information about how housing placement options differ between programs. This Plan follows guidelines set forth by HUD and is designed to support tenants in need while ensuring compliance with VAWA protections. The overall goal is to provide victims with immediate access to safer housing options and the resources they need to begin rebuilding their lives.

PROCUREMENT

Not Applicable

ITEM ATTACHMENTS

- Attachment 1 – VAWA Emergency Transfer Plan

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 19, 2025.



Housing Authority of the
County of San Bernardino
Building Opportunities Together

Housing Authority of the County of San Bernardino

Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence,
Sexual Assault, or Stalking

June 2025

Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

The Housing Authority of the County of San Bernardino (HACSB) is concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA), HACSB allows any tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. VAWA protections are not limited to women and are available regardless of age or actual or perceived sexual orientation, gender identity, sex, or marital status. Victims cannot be discriminated against based on any protected characteristic, including race, color, national origin, religion, sex (including perceived or actual sexual orientation or gender identity), familial status, disability, or age. The ability of HACSB to honor emergency transfer requests for tenants currently receiving assistance, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether HACSB has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan outlines the criteria for tenant eligibility for an emergency transfer, the necessary documentation for requesting a transfer, confidentiality protection, the process for executing an emergency transfer, and safety and security guidance for tenants. The plan is based on 24 Code of Federal Regulations (CFR) part 5, subpart L and the model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the federal agency responsible for regulating policies and compliance in federally subsidized housing programs, ensuring that HACSB adheres to the requirements of the VAWA.

Definitions

- **External emergency transfer** refers to an emergency relocation of a tenant to another unit where the tenant would be categorized as a new applicant; that is, the tenant must undergo an application process to reside in the new unit.
- **Internal emergency transfer** refers to an emergency relocation of a tenant to another unit where the tenant would not be categorized as a new applicant; that is, the tenant may reside in the new unit without having to undergo an application process.
- **Safe unit** refers to a unit that the victim of VAWA violence/abuse believes is safe.
- **VAWA violence/abuse** means an incident or incidents of domestic violence, dating violence, sexual assault, or stalking, as those terms are defined in 24 CFR 5.2003 and "Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking" (Form HUD-5382).

Eligibility for External/Internal Emergency Transfers

A tenant may seek an external/internal emergency transfer to another unit if they or their household member is a victim of VAWA violence/abuse, as outlined in the "Notice of Occupancy Rights Under the Violence Against Women Act," Form HUD-5380. This emergency transfer plan provides further information on emergency transfers, and HACSB must provide a copy if requested. HACSB may ask for the submission of a written request for an external/internal emergency transfer, such as form HUD-5383, to certify eligibility for the emergency transfer.

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking as defined in

HUD's regulations at 24 CFR part 5, subpart L, is eligible for an emergency transfer, if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault and the tenant reasonably believes that there is a threat of imminent harm from further violence, including trauma, if the tenant (or their household member) were to stay in the unit or the sexual assault occurred on the premises within 90 days of the request, the tenant may also be eligible to transfer. A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan. Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Timing and Availability

HACSB cannot guarantee approval or processing time for emergency transfer requests. However, HACSB will prioritize moving tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to unit availability and safety.

If a tenant-based Housing Choice Voucher program participant is eligible for an emergency transfer, the participant will be issued a voucher to move as soon as possible and may request a portability transfer regardless of the time remaining on the lease.

If the tenant is on the project-based Housing Choice Voucher program, the tenant may request to move to another unit in their community or relocate to another project-based community. The tenant's name will be placed on the move/transfer waiting list and prioritized over non-VAWA tenants on the move/transfer waiting list. If no unit is immediately available, HACSB will offer the tenant the choice to remain on the waiting list or the opportunity to request a tenant-based voucher. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. HACSB may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If HACSB does not have any safe or available units to accommodate the request for an eligible tenant, HACSB will assist the tenant in identifying other housing providers who may have safe units or available units to which the tenant could move. At the tenant's request, HACSB will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking. VAWA provisions do not supersede eligibility or other occupancy requirements that may apply under a covered housing program or subsidy provisions under a project-based contract.

HACSB cannot specify how long it will take from the time a transfer request is approved until the tenant can be placed in a new, safe unit. HACSB will, however, act as quickly as possible to assist a tenant who qualifies for an emergency transfer. If HACSB identifies an available unit and the tenant believes that unit would not be safe, the tenant may request a transfer to a different unit.

Assistance for project-based participants under the Continuum of Care (CoC) and HOPWA programs is restricted to designated units under the grant. CoC and HOPWA tenants do not have the option to transfer assistance to other communities outside of their program. Tenants, however, may request another unit that is designated under the grant if it is safe and available or request assistance in locating safe housing through another provider's program.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify any HACSB Housing Services branch, property manager, or designated representative, and submit a written request for a transfer.

If HACSB does not already have documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking, HACSB may ask for this documentation in accordance with 24 CFR 5.2007. Unless HACSB receives documentation that contains conflicting information, as described in 24 CFR 5.2007(b)(2), HACSB cannot require third-party documentation to determine status as a VAWA victim for emergency transfer eligibility. HACSB will provide reasonable accommodations to this policy for individuals with disabilities.

The tenant's written request for an emergency transfer should include the following:

1. Form HUD-5383 (Emergency Transfer Request for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking; or
2. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence, including trauma, if the tenant (or household member) were to remain in the same dwelling unit assisted under HACSB's program; or
3. In the case of a tenant (or household member) who is a victim of sexual assault, either a statement that the tenant reasonably believes there is a threat of imminent harm from further violence or trauma if the tenant (or household member) stays in the same dwelling unit, or a statement that the sexual assault occurred on the premises and the tenant requested an emergency transfer within 90 days (including holidays and weekend days) of when the assault occurred.

Should any third-party documentation be needed, the tenant will have 14 business days to provide the requested documentation of the VAWA victim status.

Confidentiality

If a tenant inquires about or requests any VAWA protections or represents that they or a household member are a victim of VAWA violence/abuse entitled to VAWA protections, HACSB must keep any information they provide concerning the VAWA violence/abuse, their request for an emergency transfer, and their or a household member's status as a victim strictly confidential. This information should be securely and separately kept from tenant files. All the information provided by or on behalf of the tenant to support an emergency transfer request, including information on the Certification Form (HUD-5382) and the Emergency Transfer Request Form (HUD-5383) (collectively referred to as "Confidential Information") may only be accessed by HACSB employees or contractors if explicitly authorized by HACSB for reasons that specifically call for those individuals to have access to that information under applicable Federal, State, or local law. Confidential information must not be entered into any shared database or disclosed to any other entity or individual, except if:

- Written permission by the victim in a time-limited release;
- Required for use in an eviction proceeding or hearing regarding termination of assistance; or
- Otherwise required by applicable law.

In addition, HUD's VAWA regulations require emergency transfer plans to provide strict confidentiality measures to ensure that the location of the victim's dwelling unit is never disclosed to a person who

committed or threatened to commit the VAWA violence/abuse.

Making the Emergency Transfer Plan Available

HACSB's Emergency Transfer Plan is available on our website at www.hacsb.com or upon request. HACSB will make VAWA forms and this plan available in alternative formats as a reasonable accommodation for individuals with disabilities or alternative languages for persons with limited English proficiency as described in HACSB's Language Access Plan.

Safety and Security of Tenants

Pending processing and dependent on approval of the transfer, HACSB encourages the tenant to take all reasonable precautions to be safe, including seeking guidance or assistance from a victim service provider. Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For people with hearing impairments, the hotline is accessible by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

To locate local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking may obtain information of services from Southern California Domestic Shelter visit <https://da.sbcounty.gov/domestic-violence/>

For additional information on VAWA and to find additional help in your area, visit <https://www.hud.gov/vawa>.

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

June 10, 2025

FROM

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

SUBJECT

Amendment to Lease Agreement with the County of San Bernardino Preschool Services Department for Classroom, Office and Playground Space at the Arrowhead Grove Head Start facility.

RECOMMENDATION(S)

1. Retroactively approve Amendment No. 2 to lease agreement with the County of San Bernardino to increase the premises by 1,200 square feet by adding 1163 North Crestview Avenue to the premises, to extend the term for 15 years, for the period of June 1, 2025 through May 31, 2040, following a permitted holdover period from July 1, 2024, through May 31, 2025, adjust the rental rate schedule, and update standard lease agreement language for a total of approximately 4,319 square feet in Building A & B for Preschool Services Department at 1161 North Crestview Avenue and 1163 North Crestview Avenue in San Bernardino.
2. Direct the Executive Director of the Housing Authority of the County of San Bernardino, in consultation with legal counsel, to execute the amendment No.2 of the lease agreement required to close the lease renewal of 1163 North Crestview Avenue, San Bernardino.

(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 result in a revenue to the Housing Authority of the County of San Bernardino (HACSB) based on the table below.

Lease Year	Monthly Rent
June 1, 2025 - May 31, 2026	\$3,196.00
June 1, 2026 - May 31, 2027	\$3,282.00
June 1, 2027 - May 31, 2028	\$3,412.00
June 1, 2028 - May 31, 2029	\$3,498.00
June 1, 2029 - May 31, 2030	\$3,585.00
June 1, 2030 - May 31, 2031	\$3,714.00
June 1, 2031 - May 31, 2032	\$3,844.00
June 1, 2032 - May 31, 2033	\$3,930.00
June 1, 2033 - May 31, 2034	\$4,060.00
June 1, 2034 - May 31, 2035	\$4,189.00

Amendment to Lease Agreement with the County of San Bernardino Preschool Services
Department for Classroom, Office and Playground Space at the Arrowhead Grove Head Start
facility.

June 10, 2025

June 1, 2035 - May 31, 2036	\$4,319.00
June 1, 2036 - May 31, 2037	\$4,449.00
June 1, 2037 - May 31, 2038	\$4,578.00
June 1, 2038 - May 31, 2039	\$4,708.00
June 1, 2039 - May 31, 2040	\$4,837.00

BACKGROUND INFORMATION

The Housing Authority of the County of San Bernardino (Housing Authority) and the County of San Bernardino (County) approved a five-year lease agreement for the Arrowhead Grove Head Start Facility dated July 9, 2019, for approximately 3,119 square feet for classroom, office and land. Located at the 1151 Crestview Avenue in San Bernardino (Premises) for use by the Preschool Services Department (PSD). The original term of the lease was for the period of July 1, 2019 to June 30, 2024. In the six years since the lease was originally approved, the Housing Authority and County approved one amendment that confirmed the commencement date and updated the maintenance provision.

PSD requested that the Real Estate Services Department (RESA) negotiate Amendment No. 2 (Amendment) to the lease to increase the square footage (adding an additional building), and extend the existing term of the lease, which expired on June 30, 2024. On July 1, 2024, the holdover clause was initiated while protracted negotiations were conducted, and PSD has continued to occupy the Premises and abide by the terms of the lease.

As such, a retroactive approval of Amendment No. 2 is needed to add rentable square footage of the Premises to include 1,200 square feet located at 1163 North Crestview Avenue (a separate building). The updated square footage will be 4,319 square feet, comprising approximately 3,119 square feet at the Premises, Buildings A and B, and approximately 1,200 square feet at 1163 North Crestview. The Amendment will also extend the term by 15 years, for the period of June 1, 2025, through May 31, 2040, following a permitted holdover period from July 1, 2024, through May 31, 2025, update the rental rate schedule to better reflect current market rate rents, include improvements to the Premises, which will be paid and constructed by the County, subject to the Housing Authority's review and approval, and update standard lease agreement language. All other lease terms remain unchanged.

PROCUREMENT

Not applicable.

ITEM ATTACHMENTS

- Contract –Lease Amd w Housing Authority 19-470 A2
- Attachment 1 - HS Preschool_Concept Floor Plans_2025-02-21

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 19, 2025.



Contract Number

19-470 A2

SAP Number

Real Estate Services Department

Department Contract Representative	Terry W. Thompson, Director
Telephone Number	(909) 387-5000
Contractor	Housing Authority of the County of San Bernardino
Contractor Representative	Rishad Mitha
Telephone Number	909-332-6315
Contract Term	July 1, 2019 – May 31, 2040
Original Contract Amount	\$144,015
Amendment Amount	\$740,077.50
Total Contract Amount	\$884,092.50
Cost Center	7810001000
GRC/PROJ/JOB No.	5900 3952
Grant Number (if applicable)	

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, Housing Authority of the County of San Bernardino ("LANDLORD"), as landlord, and San Bernardino County ("COUNTY"), as tenant, entered into Lease Agreement, Contract No. 19-470 dated July 9, 2019, as amended by the First Amendment dated January 26, 2021, (collectively, the "Lease"), wherein the LANDLORD leases approximately 3,119 square feet in Building A & B and land located at 1151 North Crestview Avenue in San Bernardino, as more specifically described in the Lease, to COUNTY for a term that expired on June 30, 2024 but has continued on a permitted month-to-month holdover, and;

WHEREAS, the COUNTY and LANDLORD now desire to amend the Lease to extend the term for a total of fifteen (15) years from June 1, 2025 through May 31, 2040; update the Premises to include 1163 North Crestview Avenue, San Bernardino, describe the process for COUNTY to plan for and develop COUNTY-desired improvements to the expansion area of the Interior Space to accommodate additional classroom amenities for COUNTY's educational needs, adjust the monthly rental payments and amend certain other terms of the Lease as set forth in this amendment (the "Second Amendment").

NOW, THEREFORE, in consideration of mutual covenants and conditions and the foregoing recitals which are hereby incorporated by reference, the parties hereto agree the Lease is amended as follows:

1. Pursuant to **Paragraph 9, HOLD OVER**, COUNTY shall, with LANDLORD's express consent granted herein, use the Premises on a month-to-month holdover term for the period of July 1, 2024 through May 31, 2025, in the total amount of \$24,865.50, calculated as \$2,260.50 per month.

2. Effective June 1, 2025, DELETE in its entirety the existing **SECTION 1- BASIC LEASE PROVISIONS, Paragraph E, PREMISES** and SUBSTITUTE therefore the following as a new **SECTION 1- BASIC LEASE PROVISIONS, Paragraph I, PREMISES**:

E. PREMISES. A total of approximately 4,319 square feet, comprising of approximately 3,119 square feet at 1151 North Crestview, Buildings A and B, and approximately 1,200 square feet at 1163 North Crestview as the Premises as set forth in Exhibit "I" to the Lease. Land space of 11,881 square feet for playground.

3. Effective June 1, 2025, DELETE in its entirety the existing **SECTION 1- BASIC LEASE PROVISIONS, Paragraph H, LEASE TERM** and SUBSTITUTE therefore the following as a new **SECTION 1- BASIC LEASE PROVISIONS, Paragraph H, LEASE TERM**:

H. TERM. The term of the Lease commencing on July 1, 2019, is extended for fifteen (15) years for the period from June 1, 2025 through May 31, 2040 (the "**First Extended Term**").

4. Effective June 1, 2025, DELETE the existing **SECTION 1- BASIC LEASE PROVISIONS, Paragraph K, MONTHLY RENT FOR PREMISES** and SUBSTITUTE therefore the following as a new **SECTION 1- BASIC LEASE PROVISIONS, Paragraph K, MONTHLY RENT FOR PREMISES**:

K. MONTHLY RENT FOR PREMISES.

Lease Year	Monthly Rent
June 1, 2025 - May 31, 2026	\$3,196.00
June 1, 2026 - May 31, 2027	\$3,282.00
June 1, 2027 - May 31, 2028	\$3,412.00
June 1, 2028 - May 31, 2029	\$3,498.00
June 1, 2029 - May 31, 2030	\$3,585.00
June 1, 2030 - May 31, 2031	\$3,714.00
June 1, 2031 - May 31, 2032	\$3,844.00
June 1, 2032 - May 31, 2033	\$3,930.00
June 1, 2033 - May 31, 2034	\$4,060.00
June 1, 2034 - May 31, 2035	\$4,189.00
June 1, 2035 - May 31, 2036	\$4,319.00
June 1, 2036 - May 31, 2037	\$4,449.00
June 1, 2037 - May 31, 2038	\$4,578.00
June 1, 2038 - May 31, 2039	\$4,708.00
June 1, 2039 - May 31, 2040	\$4,837.00

5. Effective June 1, 2025, DELETE the existing **Paragraph 3, TERM** and SUBSTITUTE therefore the following **Paragraph 3, TERM**:

3. **TERM.** The Lease's term shall commence on July 1, 2019 ("Commencement Date") and terminate on May 31, 2040. The Code of Federal Regulations, 45 CFR § 1303.50 – Third party leases and occupancy agreements- requires that the Lease, when COUNTY Preschool Services Department Head Start Program receives federal funds to renovate a facility or modular unit on real property the COUNTY does not own, provide for the right of continued use and occupancy of the leased premises during an entire term of at least fifteen (15) years.

6. Effective June 1, 2025, DELETE the existing **Paragraph 14, ALTERATIONS** and SUBSTITUTE therefore the following **Paragraph 14, ALTERATIONS AND IMPROVEMENTS**, and **EXHIBIT "J" TENANT IMPROVEMENTS** attached and incorporated herein, to read as follows:

14. **ALTERATIONS AND IMPROVEMENTS.**

A. Approval. Any improvements to the Interior Space and exterior for the purpose of providing for additional classroom facilities and related amenities in support of COUNTY's functions, as such improvements are further described in Exhibit "B" to this Lease ("Tenant Improvements"), shall be performed by COUNTY, at its sole cost and expense. Except as specified below, prior to making any Tenant Improvements, COUNTY shall provide to LANDLORD's Director of Development copies of plans and specifications for its proposed Tenant Improvements ("Plans and Specifications") for LANDLORD's review and approval, which shall not be unreasonable withheld or delayed. COUNTY shall not commence construction of any Tenant Improvements which require LANDLORD's approval until LANDLORD approves the Tenant Improvements in writing. COUNTY shall notify the LANDLORD in a timely manner of any changes in the proposed Tenant Improvements. COUNTY shall pay LANDLORD's actual and reasonable costs incurred for review of the Plans and Specifications for the proposed Tenant Improvements. COUNTY shall be solely responsible for constructing any Tenant Improvements in accordance with the approved Plans and Specifications.

B. Standard of Construction. Tenant Improvements will be constructed by COUNTY, at COUNTY's sole cost and expense, in a good and workmanlike manner that conforms to all applicable laws, and by licensed and bondable contractors reasonably acceptable to LANDLORD. COUNTY shall only use good grades of materials. LANDLORD may monitor construction of the Tenant Improvements. LANDLORD's right to review Plans and Specifications and to monitor construction shall be solely for its own benefit, and LANDLORD shall have no duty to see that such Plans and Specifications or construction comply with the Laws.

C. Permits. COUNTY shall obtain any and all applicable permits and governmental approvals required for all Tenant Improvements performed by COUNTY and shall immediately provide to LANDLORD copies thereof. COUNTY shall provide a Certificate of Occupancy upon completion of the Tenant Improvements.

D. Laws. COUNTY shall cause all work performed in connection with the Tenant Improvements to be performed in a workman like manner, in accordance with sound building practices, and in compliance with (i) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter; and (ii) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. The work shall proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and COUNTY shall be responsible to the LANDLORD for the procurement and maintenance thereof, as may be required of COUNTY and all entities engaged in work on the Tenant Improvements.

E. COUNTY Construction Obligations. COUNTY may utilize the services of LANDLORD's retained architect, Sillman, pursuant to the on-call contract between Sillman and LANDLORD, or such other architectural firm LANDLORD may designate ("Architect") to develop the plans for the Tenant Improvements. Should COUNTY utilize Architect's services, COUNTY shall timely pay all invoices issued to LANDLORD for services related to the Tenant improvements, including services performed before the date of the Second Amendment. Any interest or penalties accrued in any delayed payment shall be COUNTY's responsibility. Should COUNTY delay payment beyond thirty (30) days of the date of any invoice, LANDLORD may suspend further services by Architect related to the Tenant Improvements until COUNTY pays all outstanding invoices. COUNTY, at its own cost and expense, shall retain and provide LANDLORD with the identities and mailing

addresses of all persons, contractors, subcontractors or material suppliers performing Tenant Improvements prior to beginning such work, and LANDLORD may post on and about the Premises notices of non-responsibility pursuant to applicable law.

F. Liens. No liens may be filed against the Premises. COUNTY shall promptly pay and discharge all claims for work or labor done, materials furnished or services rendered in the construction of the Tenant Improvements and shall keep the Premises free and clear of all mechanics' and materialmen's liens in connection therewith. COUNTY shall file a valid notice of cessation or notice of completion upon cessation of the construction of the Initial County

Improvements for a continuous period of thirty (30) days or more. Upon completion of any Tenant Improvements, COUNTY shall deliver to LANDLORD sworn statements setting forth the names of all contractors and subcontractors who did work on the Tenant Improvements and final lien waivers from all such contractors and subcontractors.

G. Insurance. At all times during the construction of the Tenant Improvements, COUNTY shall require the general contractor to carry liability, builders' risk, and workers compensation insurance in a form and amounts acceptable to the LANDLORD and to name the LANDLORD as an additional insured on such insurance. COUNTY shall carry appropriate builder's risk insurance and update its property insurance as necessary to cover the Initial County Improvements. COUNTY shall provide certificates of insurance in amounts and from an insurance company reasonably satisfactory to LANDLORD.

H. Prevailing Wages. In connection with all work on the Premises, COUNTY shall comply with applicable prevailing wage laws under the California Labor Code, as further set forth in Exhibit "H".

I. Trade Fixtures. COUNTY, at its own cost and expense and without LANDLORD's prior approval, may install equipment, machinery and trade fixtures (collectively "Trade Fixtures" typically and customarily installed at classroom facilities, and the construction, erection, and installation thereof complies with all applicable laws. LANDLORD agrees that all trade fixtures, machinery, equipment, or other property of any kind and nature kept or installed upon the Premises by COUNTY shall not become the property of LANDLORD or a part of the realty no matter how affixed to the Premises and may be removed by COUNTY at any time. Prior to the expiration or termination of this Lease, COUNTY, at its sole expense, may remove its Trade Fixtures; provided such removal may be accomplished without damage to the Premises or Tenant Improvements thereon.

J. Notice of Nonresponsibility. COUNTY shall provide the LANDLORD with at least five (5) days' prior written notice of the date for the commencement of the construction of the Tenant Improvements in order to permit the LANDLORD to post, file, and record such Notices of Nonresponsibility as may be necessary to protect the LANDLORD and the Premises from claims by contractors."

7. Effective May 20, 2025, ADD a new **Exhibit "K" – OHS Lease Rider**, attached and incorporated herein.

8. This Second Amendment 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 Second Amendment. The parties shall be entitled to sign and transmit an electronic signature of this Second Amendment (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 Second Amendment upon request.

9. All other provisions and terms of the Lease shall remain the same and are hereby incorporated by reference. In the event of any conflict between the Lease and this Second Amendment, the terms and conditions of this Second Amendment shall control.

END OF SECOND AMENDMENT.

SAN BERNARDINO COUNTY

►

Dawn Rowe, Chair, Board of Supervisors

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

Lynna Monell
Clerk of the Board of Supervisors
San Bernardino County

By _____
Deputy

HOUSING AUTHORITY OF THE COUNTY
OF SAN BERNARDINO

By ► _____
(Authorized signature - sign in blue ink)

Name Maria Razo

Title Executive Director

Dated: _____

Address _____

FOR COUNTY USE ONLY

Approved as to Legal Form
► John Tubbs II
John Tubbs II, Deputy County Counsel

Date 5-13-25

Reviewed for Contract Compliance
► _____
Date _____

Reviewed/Approved by Department
► _____
Terry W. Thompson, Director, RESD
Date _____

EXHIBIT "I"

PREMISES

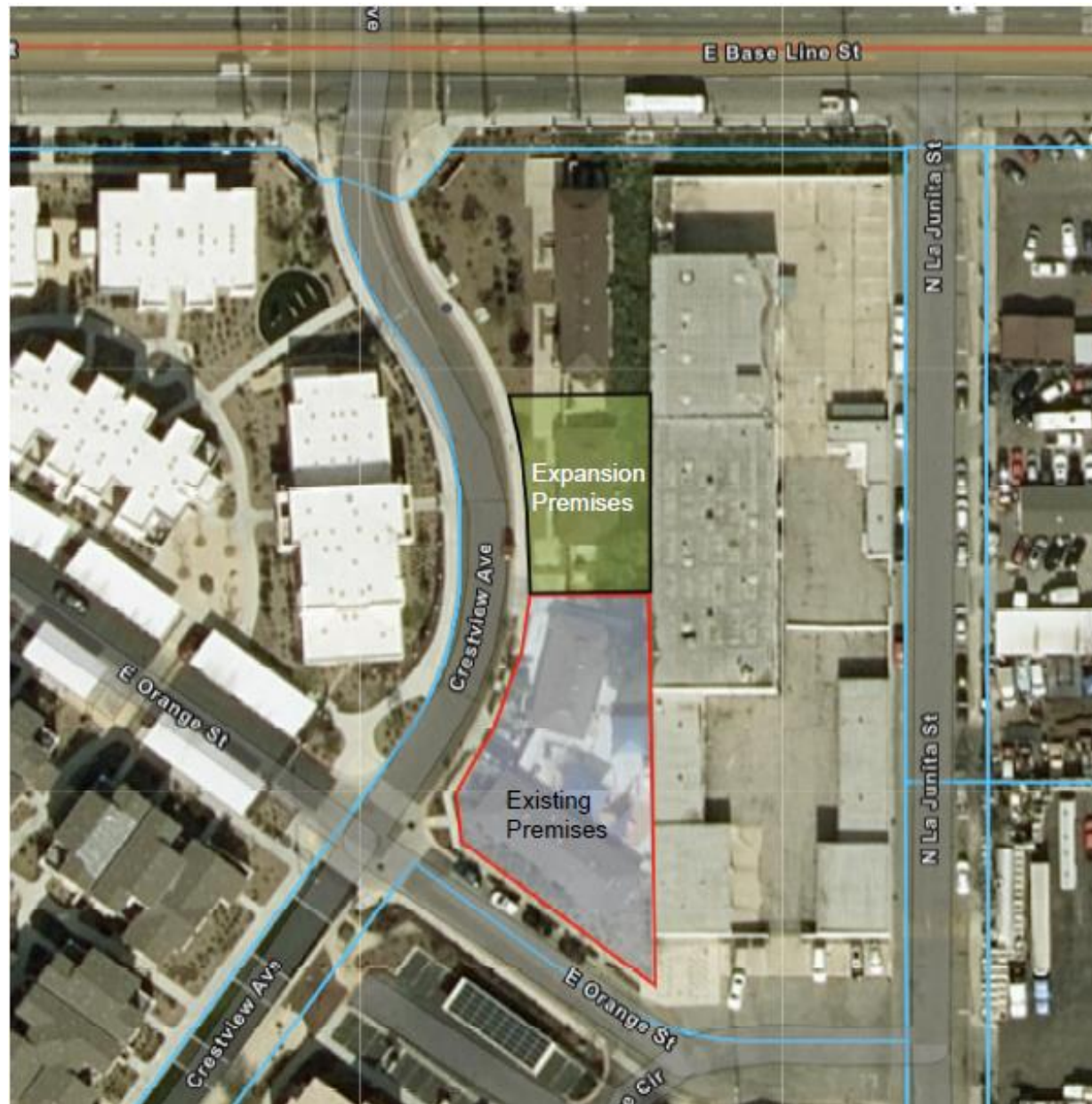
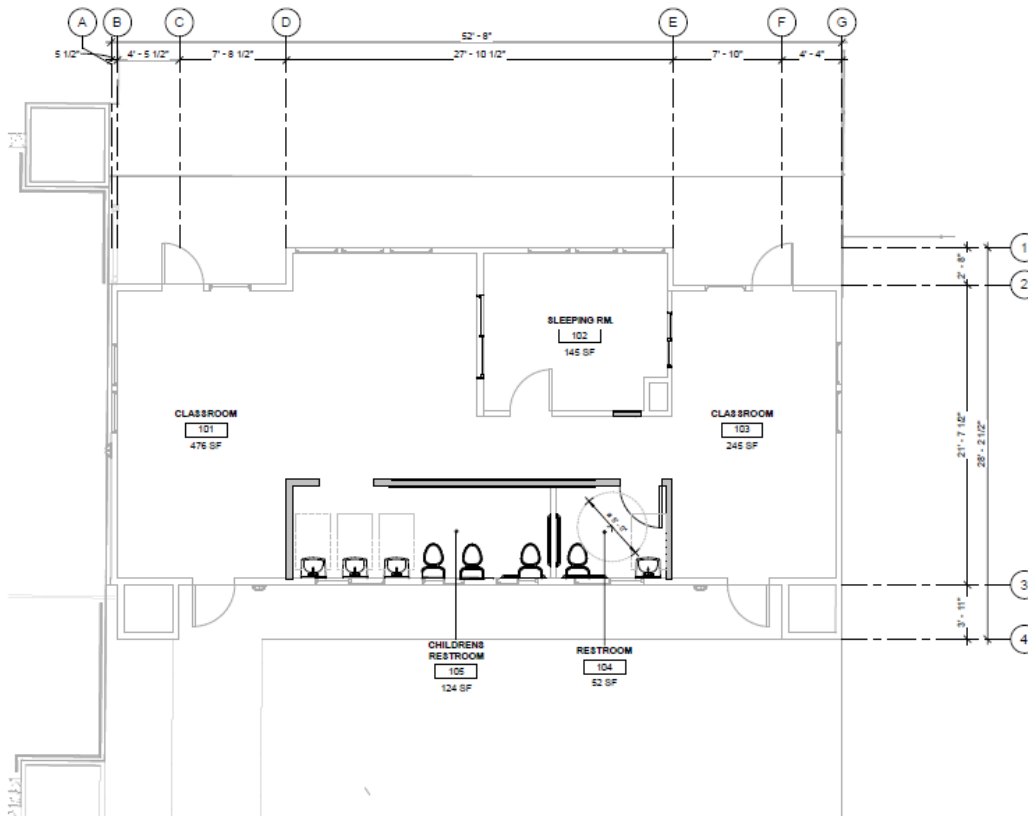


EXHIBIT "J"

TENANT IMPROVEMENTS



1 PROPOSED FLOOR PLAN
A220 SCALE: 1/4" = 1'-0" REF: A201

GENERAL NOTES

AGENCY APPROVAL

CLIENT

BUILDER

REVISIONS

Date

Description

LEGEND

ROOM NAME

101
150 SF

INDICATES ROOM NAME & NUMBER

(E) WALL

(N) WALL

KEYNOTES

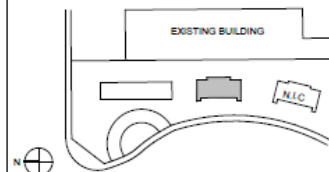
PREPARED FOR THE
SAN BERNARDINO
COUNTY
PRESCHOOL SERVICES

PREPARED BY



7515 Metropolitan Dr.
Suite 400
San Diego, CA 92108
T 619.294.7515
F 619.294.7592
www.sillmanarch.com

KEYPLAN



PROJECT NAME
HEADSTART PRESCHOOL EXPANSION

PROJECT ADDRESS
1153 N CRESTVIEW AVENUE, SAN
BERNARDINO, CA 92410

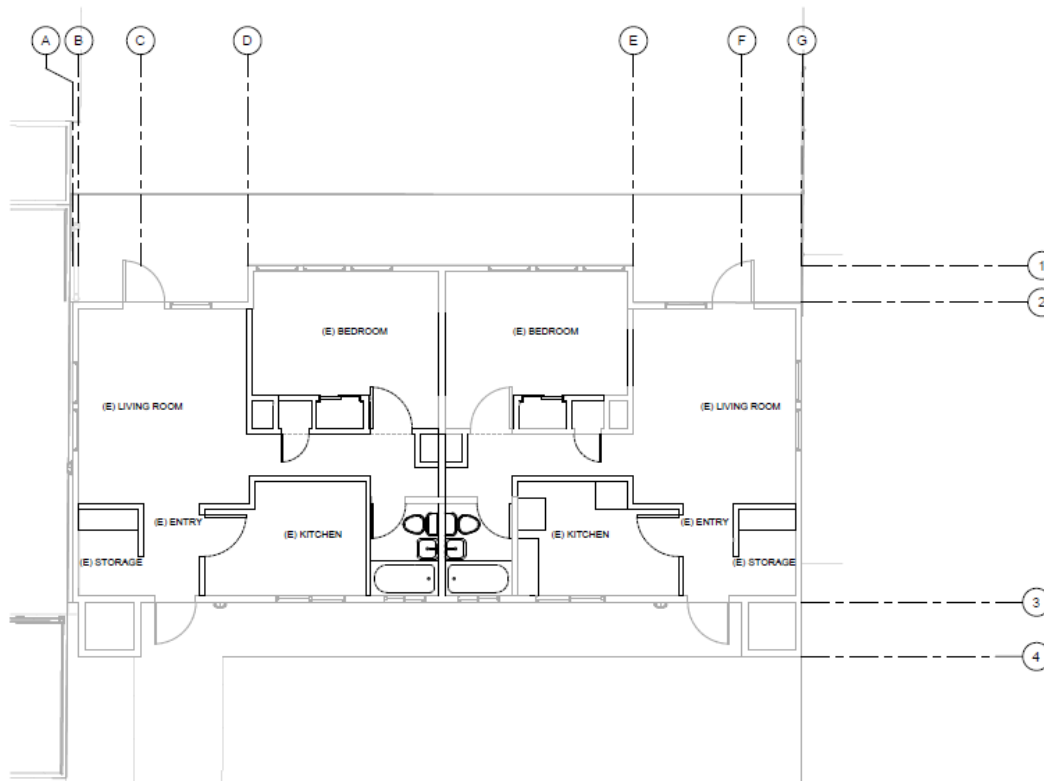
PROJECT NO.
0000 A.P.

DATE
03/03/2025 Author
Checker

SHEET NAME
PROPOSED
FLOOR PLAN

SHEET NO.
A220

SCALE: 1/4" = 1'-0" (1:48)



1 DEMOLITION FLOOR PLAN
A210 SCALE: 1/4" = 1'-0"
REF: A001

GENERAL NOTES

AGENCY APPROVAL

CLIENT

BUILDER

REVISIONS

Date Description

LEGEND

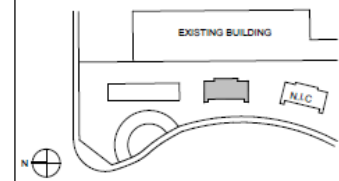
- (E) EXISTING
- (N) NEW
- ===== (E) WALL
- (E) WALL
- (E) DOOR AND FRAME

KEYNOTES

PREPARED FOR THE
SAN BERNARDINO
COUNTY
PRESCHOOL SERVICES

PREPARED BY
SILLMAN
7515 Metropolitan Dr., Suite 400
San Diego, CA 92108
T 619.294.7515
F 619.294.7592
www.sillmanarch.com

KEYPLAN



PROJECT NAME
HEADSTART PRESCHOOL EXPANSION

PROJECT ADDRESS
1183 N CRESTVIEW AVENUE, SAN
BERNARDINO, CA 92410

PROJECT NO. 0000 A.P.

DATE 03/05/2008 Author
Checker

SHEET NAME
DEMOLITION
FLOOR PLAN

SHEET NO.
A210

EXHIBIT "K"

OHS LEASE RIDER

This Lease RIDER ("Rider"), made as of **May 20, 2025**, by and between **Housing Authority of the County of San Bernardino** ("Lessor"), **San Bernardino County** ("Tenant"), and United States Department of Health and Human Services, Administration for Children and Families ("HHS/ACF") attaches to the lease between Lessor and Recipient/Grantee entered into on **May 20, 2025**, for the real property located at **1151 North Crestview Avenue, Buildings A and B, and 1163 North Crestview Avenue, San Bernardino, CA 92410** ("Lease"). HHS/ACF is not a party to the attached Lease, but joins in execution of this document solely to evidence its consent to the provisions hereof.

WITNESSETH:

WHEREAS, Lessor is the owner of real property located at 1151 North Crestview Avenue, Buildings A and B, and 1163 North Crestview Avenue, San Bernardino, CA 92410 and described in Exhibit A attached hereto and hereby incorporated into this Rider (the "Property");

WHEREAS, On _____, the United States Department of Health and Human Services, Administration for Children and Families ("HHS/ACF") awarded Grant Number _____ in the amount of _____ to Tenant for the purpose of operating a Head Start facility in San Bernardino.;

WHEREAS, Tenant has agreed to lease the above-described Property ("Leased Premises") from Lessor for the purpose of operating a Head Start facility, pursuant to a lease, a copy of which is attached hereto as Exhibit B (the "Lease"), which establishes a leasehold interest (the "Leasehold") for the benefit of the Tenant;

WHEREAS, HHS/ACF has approved Tenant's planned use of its award of Head Start grant for placement of a modular unit on Leased Premises or to fund leasehold improvements on the Leased Premises, which consist of either construction of a facility on the Property or major renovation of the Leased Premises (the "Improvements"), and;

WHEREAS, HHS/ACF has and will continue to have a Federal Interest (defined below) in the Leasehold and Improvements because the Tenant has used Federal grant funds awarded by HHS/ACF to place a modular unit on the Leased Premises or make Improvements to the Leased Premises. The Federal Interest includes any future HHS/ACF awards made for Improvements to the Leasehold.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, the Parties agree as follows:

1. **Definitions**: Under this Rider, the following terms are defined as follows:

- (a) **Event of Default**: The term "Event of Default" means an event of default under the Lease.
- (b) **Federal Interest**: The term "Federal Interest," in the context of the Lease, is the interest of HHS/ACF in the Leasehold that secures the remaining value of the Improvements.
- (c) **Lessor**: The term "Lessor" means and/or its heirs, assignees, and successors under this Rider and the Lease.
- (d) **Modular Unit**: The term "Modular Unit" means a portable prefabricated structure made at another location and moved to a site for use by a Head Start recipient/grantee to carry out a Head Start program, regardless of the manner or extent to which the modular unit is attached to the underlying real property.
- (e) **Parties**: The term "Parties" shall refer to Lessor, Tenant, and their respective heirs, successors, and assignees under this Rider and the Lease.
- (f) **Tenant**: The term "Tenant" means and/or its heirs, assignees, and successors under this Amendment and the Lease.

2. Federal Interest.

- (a) This Lease Rider evidences a Federal Interest in the Leasehold that secures the right of the federal awarding agency to recover the remaining value of the Improvements in the event that a lease is terminated prior to expiration of its full term, including costs associated with relocation or replacement of a modular unit following such termination.
- (b) The Federal Interest in the Leasehold of a facility on which the Tenant has made major renovations with Federal Head Start funds or placement of a modular unit on the Leased Premises continues for a period of at least 15 years and the Federal Interest in the Leasehold of land on which the Tenant has constructed a facility with Federal Head Start funds continues for a period of at least 30 years notwithstanding any termination of the lease prior to completion of its original term.
- (c) In the event of termination prior to completion of the original term of the Lease, the value of the Improvements will be determined by applying the remaining term of the Lease expressed as a percentage of the entire term and applying the resulting percentage to the amount of Federal Head Start funds awarded to the Recipient/Grantee for the Improvements. The value of the Improvements at the time of termination and any costs associated with relocation or replacement of a modular unit following such termination is subject to disallowance at the discretion of the awarding agency.

3. Tenant's Obligations.

- (a) The Tenant agrees not to sublease, assign, or otherwise transfer the Leased Premises, or use the Leased Premises for any non-grant purpose, without the express written approval of the responsible HHS/ACF official.
- (b) The Tenant agrees to provide HHS/ACF with notice:
 - (1) Of any Event of Default by the Tenant, on the date of the discovery of such Event of Default; and/or
 - (2) That the Lessor has notified the Tenant of its intent to exercise the remedy of cancellation, termination, and/or other remedies, on the day that the Tenant receives such notice from the Lessor.

4. Lessor's Promise To Notify HHS/ACF.

The Lessor agrees to provide HHS/ACF with notice:

- (a) Of any Event of Default by the Tenant, as soon as the Lessor first knows of such default;
- (b) That the Lessor intends to exercise its remedy of cancellation, termination, and/or any other remedy, on the day that Lessor notifies the Tenant that it intends to exercise such remedy or remedies;
- (c) That the Lessor intends to mortgage the Leased Premises; and/or
- (d) Of any lien or other encumbrance affecting title that has been attached to the Leased Premises, as soon as practicable after Lessor first knows of any such lien or other encumbrance affecting title.

5. Addresses For Notification To HHS/ACF.

Whenever notice to HHS/ACF is required under this Rider, the Lessor and the Tenant promise to provide both telephonic and written notification (by registered mail, return receipt requested) to the following HHS/ACF offices, or to their successors:

- (a) Jennifer Curtiss
Office of Grants Management
Administration for Children and Families
U.S. Department of Health and Human Services
601 East 12th, Suite 3
Kansas City, MO 64106
Telephone Number: 816-426-2991
- (b) Tala Hooben
Director, Office of Head Start
Administration for Children and Families
330 C St., S.W.
Washington D.C. 20201
Telephone Number: 202-401-3441
- (c) Office of the General Counsel, Children, Families, and Aging Division
United States Department of Health and Human Services
330 Independence Avenue, S.W., Rm. 4276
Washington, DC 20201
Telephone Number: (202) 690-8005

In addition, if the offices listed above have a change of name, address, and/or telephone number, the Lessor and the Tenant further agree to take all reasonable action necessary to discover and notify the appropriate government offices listed in this section.

6. Contents of Notification to HHS/ACF.

The Lessor and the Tenant agree to include the following information in the written notice to HHS/ACF whenever such notice is required under this Rider:

- (a) The full names, addresses, and telephone numbers of the Lessor and the Tenant and the address of the Leased Premises;
- (b) The following statement, prominently displayed at the top of the first page of the notice:

The Federal Interest in certain real property or equipment purchased or improved by the Office of Head Start may be at risk. Immediately give this notice to the appropriate government official.
- (c) The date and the nature of the default and the manner in which the default may be cured and/or an explanation of other circumstances that required the notice;
- (d) In the event that the Lessor will be exercising the remedy of cancellation, termination, and/or other remedies, the date or expected date of the cancellation and/or exercise of any remedy or remedies.
- (e) Of any notice of foreclosure or other action to enforce a remedy against the Leased Premises by a third party on the day that Lessor receives notice of such foreclosure or other action.

7. Tenant's Promise to Notify Lessor of Changes in HHS/ACF's Address.

The Tenant agrees to give the Lessor written and telephonic notice of any change of name, address, and/or telephone number of an HHS/ACF office listed in Section 5. If one or more of the HHS/ACF offices listed in Section 5 stops operating, the Tenant agrees to give the Lessor written and telephonic notice of the name, address, and telephone number of the succeeding Federal office(s) to which notice must be given.

8. HHS/ACF's Rights in Event of The Tenant's Default.

If an Event of Default occurs, the Parties agree that HHS/ACF may intervene to ensure that the default is cured by the Tenant, HHS/ACF, or another entity designated by HHS/ACF and that the Lessor shall accept the payment of money or performance of any other obligation by HHS/ACF or its designee, for the Tenant, as if such payment of money or performance had been made by the Tenant. In the event of default, HHS/ACF or its designee has the right to take possession of any modular unit on the leased property and remove it to another location. Unless otherwise specified in Section 8, HHS/ACF shall have sixty (60) days from the date of receipt of notice of the default that has been served in full compliance with Sections 4 through 7 above in which to intervene and to attempt to cure the default. If HHS/ACF fails to respond to any notice of default from Lessor, HHS/ACF's Federal Interest and the Tenant's obligation to repay the remaining value of the Improvements are preserved pursuant to 45 C.F.R. § 1303.49(a)(4).

9. Special Period for Curing Certain Non-Monetary Defaults.

With respect to non-monetary defaults that cannot with due diligence be cured within sixty (60) days from the date of receipt of notice of default that has been served in full compliance with Sections 4 through 7 above, if Tenant, HHS/ACF, or another entity designated by HHS/ACF promptly commences to cure the default within the sixty (60) day period and thereafter continues to attempt to cure the it with due diligence, then the party attempting to cure the default shall have the right to such additional time as may be reasonably necessary to finish curing the default.

10. Delay of Exercise of Remedies Pending Cure.

In the event of a default under the Lease, Lessor agrees that it shall not commence cancellation or termination of the Lease or any other remedies that affect ownership or possession of the Leased Premises until after (i) HHS/ACF has been properly served, in full compliance with Sections 4 through 7, with notice of default and intent to exercise remedies, and (ii) one of the following events has occurred:

- (a) The responsible HHS/ACF official informs the Lessor in writing that HHS/ACF has decided not to cure the default; or
- (b) HHS/ACF fails to timely cure the default within the period of time set forth in Sections 8 or 9.

11. HHS/ACF's Right to Substitute Another Entity Under the Lease.

Notwithstanding any other provision of this Rider or the Lease, the Parties recognize and hereby consent that, in an Event of Default, or the withdrawal or termination of the Tenant from the Federal grant, the Lease may be assumed by an entity designated by HHS/ACF. The Lessor will have the right to approve the entity HHS/ACF designates to assume the Lease, but such approval will not be withheld except for good cause and will not be unreasonably delayed. Any interim or replacement recipient/grantee must, as a precondition to its occupancy of the Leased Premises, execute an Assumption Agreement approved by Lessor and HHS/ACF.

12. Tenant Shall Cooperate With Substitution.

The Tenant covenants and agrees that, in the event HHS/ACF designates another entity, either on an interim or permanent basis, to assume the Tenant's rights, obligations, and liabilities under the grant and the Lease, the Tenant will relinquish to such designee possession and all property interests that the Tenant might have in the Leased Premises, subject to any compensation to which the Tenant may be entitled.

13. Substitution by HHS/ACF Shall Not Constitute an Event of Default.

Notwithstanding any other provisions of this Rider or the Lease, the Parties agree that any substitution of recipients/grantees by HHS/ACF, either on an interim or permanent basis, shall not constitute a default under this Rider or an Event of Default. The Parties further agree that any such substitution by HHS/ACF that is made in accordance with this Rider shall not trigger termination of the Lease or any other remedy under this Rider or the Lease.

14. Notice of Federal Interest in the Leasehold.

This Rider also serves to notify all potential sellers, purchasers, transferors, transferees, mortgagees, creditors, and any other persons or entities who have or may seek to obtain an interest of any kind in the Property of the Federal Interest in the Leasehold.

In accordance with the terms of the Federal grant, the Head Start Act, 42 U.S.C. §§ 9831-9852c, 45 C.F.R. Parts 75 and 1303, and relevant decisions of the United States courts, the restrictions on the use of the Leased Premises include, but are not limited to, the following:

- (a) The Leased Premises may not be used for any purpose inconsistent with that authorized by the Head Start Act and applicable regulations.
- (b) Leased Premises may not be encumbered, used as collateral, sold or otherwise transferred by the Tenant to another party without the written permission of the responsible HHS/ACF official.
- (c) The grant conditions and requirements cannot be altered or nullified through a transfer of ownership.

Further information regarding the Federal Interest in the Leasehold can be obtained from the HHS/ACF Regional Office of Grants Management, at the address provided in Section 5(a).

15. Binding on Heirs, Successors And Assigns.

This Rider shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of each Party but does not otherwise create, and shall not be construed as creating, any rights enforceable by any person not a party to this Rider.

16. Entire Agreement.

This Rider constitutes the entire agreement among the Parties regarding the Federal Interest in the Leasehold, and any other statement, promise, representation or agreement, either written or oral, made by any party or agents of any party, that is not contained in this written Rider shall not be enforceable.

17. Integration and Modification.

No modification, waiver, amendment, or discharge of this Rider shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is sought. No provision of this Rider shall be modified or limited by course of conduct or usage of trade except by an executed written agreement. In the event of a conflict between this Rider and the Lease, the terms of this Rider shall govern.

18. Severability.

In the event that any of the agreements, terms, or provisions contained in this Rider shall be invalid, illegal, or unenforceable in any respect, the validity of the remaining agreements, terms, and provisions contained herein shall not be in any way affected, prejudiced, or disturbed.

19. Knowing and Voluntary Agreement.

The Parties have entered into this Rider voluntarily and with a complete and thorough understanding of its terms, meaning, and effect. Each of the undersigned is signing the Rider voluntarily and freely, without coercion, having had the opportunity to read and raise questions about its meaning prior to signing.

20. Counterparts.

This Rider may be executed in any number of counterparts and by different parties in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

21. Due Authorization.

The persons executing this Rider on behalf of a Party represent and warrant to the other Party that he or she has been duly authorized by such Party to so execute this Rider.

IN WITNESS WHEREOF, the Parties have executed this Rider pursuant to authority duly given, as of the date first above written.

[Signature pages follow.]

HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

Signature: _____

Executive Director

Title

Maria Razo

Name

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO COUNTY

On this _____, 2025, the undersigned, a Notary Public in and for said State, personally appeared, _____, _____ of _____, personally known to me on the basis of satisfactory evidence to the individual, whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Seal

Notary Public signature

Commission Expires: _____

SAN BERNARDINO COUNTY



Dawn Rowe, Chair, Board of Supervisors

Dated: _____

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

Lynna Monell
Clerk of the Board of Supervisors
San Bernardino County

By _____

Deputy

**UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES**

Signature: _____

Grants Management Officer

On this , before me, the undersigned, a Notary Public in and for said , personally appeared , of the United States Department of Health and Human Services, Administration for Children and Families, personally known to me on the basis of satisfactory evidence to the individual, whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Seal

Notary Public signature

Commission Expires: _____

EXHIBIT A

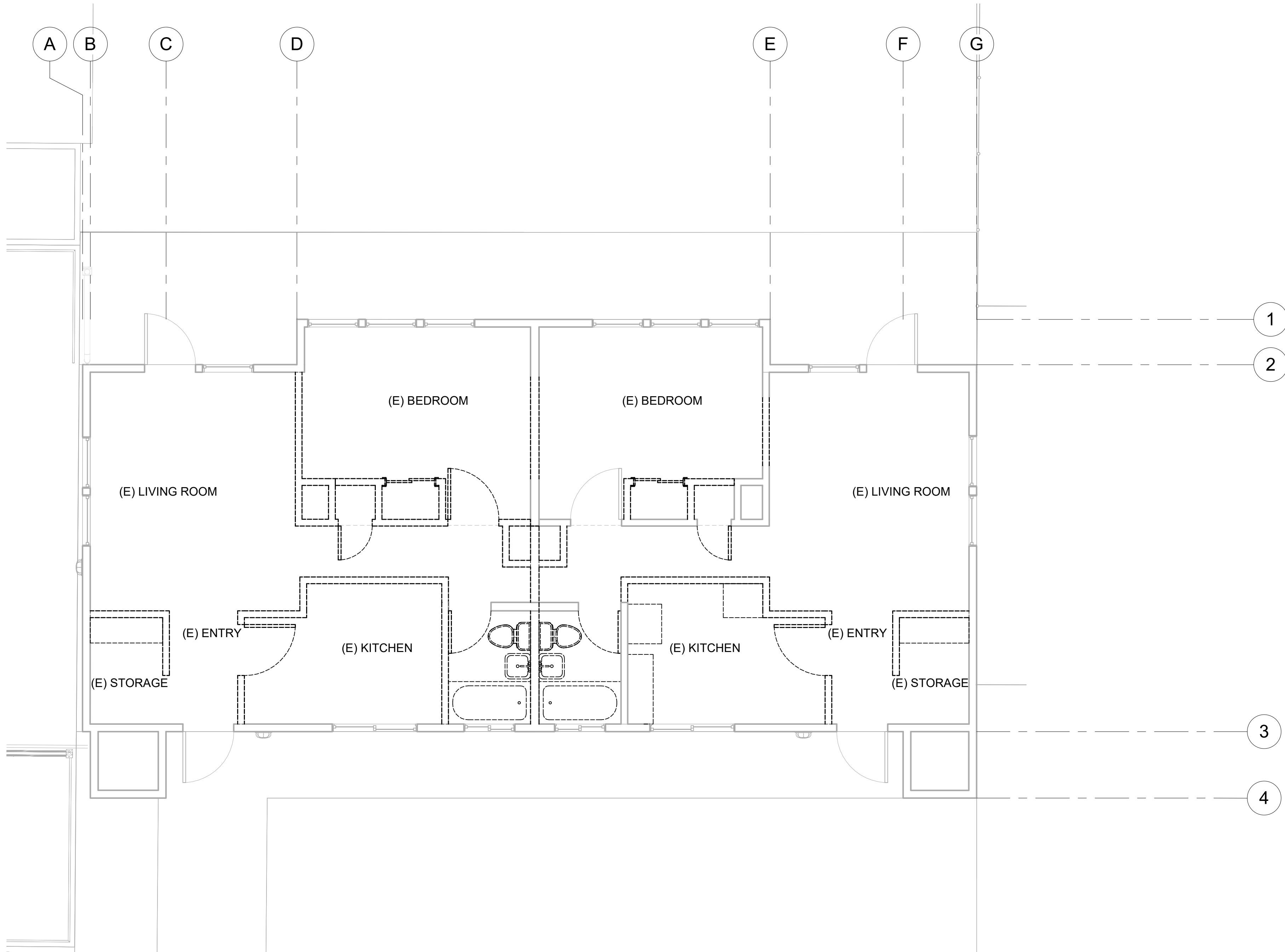
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TRACT 18829 LOT PAR BOOK 361 PAGE 66

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1 DEMOLITION FLOOR PLAN

A210 SCALE: 1/4" = 1'-0"
REF: A301



GENERAL NOTES

AGENCY APPROVAL

CLIENT

BUILDER

REVISIONS

Date

Description

LEGEND

- (E) EXISTING
(N) NEW
—— (E) WALL
----- DEMO (E) WALL
- - - - - DEMO (E) DOOR AND FRAME

ARCHITECT/CONSULTANT

KEYNOTES

PREPARED FOR THE
SAN BERNARDINO
COUNTY
PRESCHOOL SERVICES

PREPARED BY

SILLMAN

7515 Metropolitan Dr.
Suite 400
San Diego, CA 92108
T 619.294.7515
F 619.294.7592
www.sillmanarch.com

PROJECT NAME

HEADSTART PRESCHOOL EXPANSION

PROJECT ADDRESS

1163 N CRESTVIEW AVENUE, SAN
BERNARDINO, CA 92410

PROJECT NO.

0000

A.P.

DATE

02/20/2025

Author

Checker

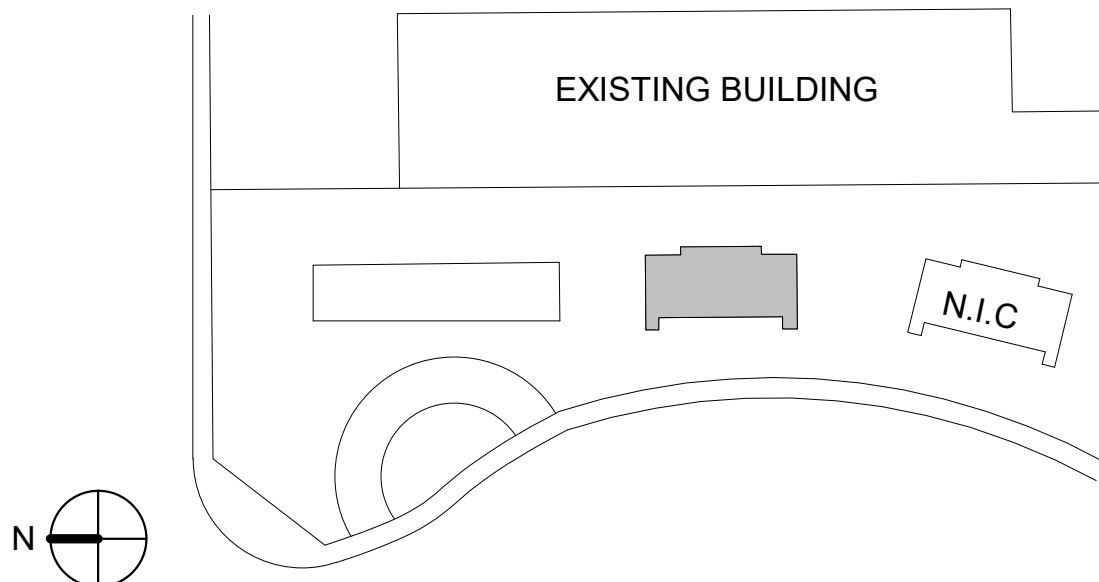
SHEET NAME

DEMOLITION
FLOOR PLAN

SHEET NO.

A210

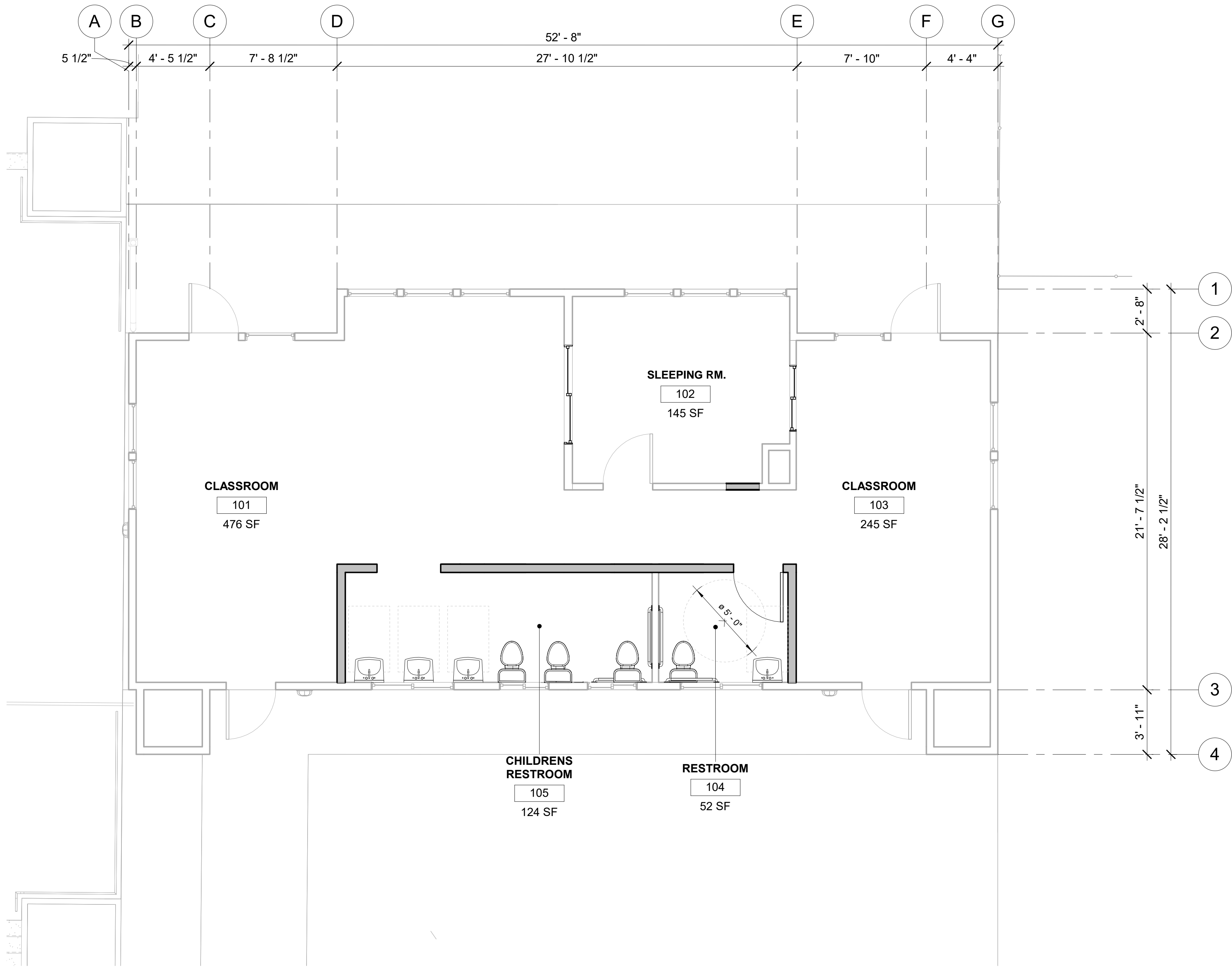
KEYPLAN



SCALE: 1/4" = 1' - 0"

(1:48)

File Path: C:\Users\lshah\Desktop\Akash\BIM\Nexus_March\ACSB Preschool Building\Output\20250221\HACSB Preschool Services.rvt



1

PROPOSED FLOOR PLAN

A220

SCALE: 1/4" = 1'-0"
REF: A301

PRELIMINARY
NOT FOR CONSTRUCTION

GENERAL NOTES

AGENCY APPROVAL

CLIENT

BUILDER

REVISIONS

Date

Description

LEGEND

ROOM NAME

101

150 SF

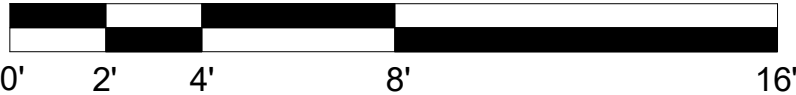
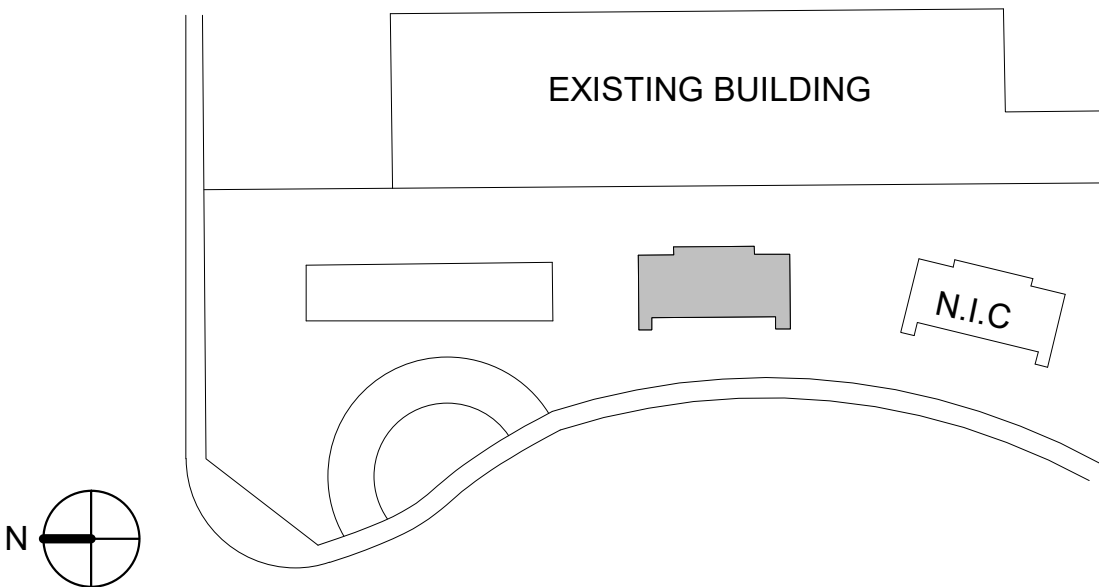
INDICATES ROOM NAME & NUMBER

(E) WALL

(N) WALL

KEYNOTES

KEYPLAN



SCALE: 1/4" = 1' - 0" (1:48)

ARCHITECT/CONSULTANT

PREPARED FOR THE
SAN BERNARDINO
COUNTY
PRESCHOOL SERVICES

PREPARED BY

SILLMAN

7515 Metropolitan Dr.
Suite 400
San Diego, CA 92108
T 619.294.7515
F 619.294.7592
www.sillmanarch.com

PROJECT NAME
HEADSTART PRESCHOOL EXPANSION

PROJECT ADDRESS
1163 N CRESTVIEW AVENUE, SAN
BERNARDINO, CA 92410

PROJECT NO.
0000 A.P.

DATE
02/20/2025 Author
Checker

SHEET NAME
PROPOSED
FLOOR PLAN

SHEET NO.

A220

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

June 10, 2025

FROM

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

SUBJECT

Amendment to Lease Agreement with San Bernardino County Preschool Services for Classroom, Office and Playground Space at the Whitney Young Head Start Facility.

RECOMMENDATION(S)

1. Retroactively approve Amendment No. 2 to Lease Agreement No. 17-466 with San Bernardino County Preschool Services, to extend the existing term of Lease Agreement No. 17-466 with the County of San Bernardino, for a period of June 1, 2025 through May 31, 2040, expand the premises from 1,512 square feet to 6,299 square feet, adjust the rental rate schedule, and update standard lease agreement language for office and classroom space, for the Preschool Services Department, located at 1755 Maple Street in San Bernardino.
2. Direct the Executive Director of the Housing Authority of the County of San Bernardino, in consultation with Legal Counsel, to execute the amendment No.2 of the Lease Agreement required to close the lease renewal of 1755 Maple Street in San Bernardino.
(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

Approval of this item will increase revenue to HACSB based on the table below.

Lease Year	Monthly Rent
June 1, 2025 - May 31, 2026	\$7,340.00
June 1, 2026 - May 31, 2027	\$7,560.00
June 1, 2027 - May 31, 2028	\$7,787.00
June 1, 2028 - May 31, 2029	\$8,021.00
June 1, 2029 - May 31, 2030	\$8,261.00
June 1, 2030 - May 31, 2031	\$8,509.00
June 1, 2031 - May 31, 2032	\$8,764.00
June 1, 2032 - May 31, 2033	\$9,027.00
June 1, 2033 - May 31, 2034	\$9,298.00

Amendment to Lease Agreement with San Bernardino County Preschool Services for Classroom, Office and Playground Space at the Whitney Young Head Start Facility.
June 10, 2025

June 1, 2034 - May 31, 2035	\$9,577.00
June 1, 2035 - May 31, 2036	\$9,864.00
June 1, 2036 - May 31, 2037	\$10,160.00
June 1, 2037 - May 31, 2038	\$10,465.00
June 1, 2038 - May 31, 2039	\$10,779.00
June 1, 2039 - May 31, 2040	\$11,102.00

BACKGROUND INFORMATION

The current lease terminates July 23, 2025.

In 2017, two five-year option periods to extend the term with the County of San Bernardino (County), for 1,512 square feet of office and classroom space and approximately 18,100 square feet of land, for two modular buildings and a playground area for the Whitney Young Head Start facility located at 1755 Maple Street in San Bernardino (Premises) were approved. In 2018, Amendment No. 1 was approved, which adjusted the lease contingency terms and the commencement date to July 23, 2018. In that time, two modulares have been built on the leased land portion for the County of San Bernardino's Preschool Services Department (PSD).

In July 2024, PSD requested that the County of San Bernardino's Real Estate Services Department (RESA) negotiate an amendment to extend the existing term for 15 years to increase the usable square footage of the premises from 1,512 square feet to 6,299 square feet and add plans for a playground in the leased land portion of the Premises.

Due to ongoing negotiations, Amendment No. 2 was first taken to the County for their board approval on March 13, 2025. A retroactive approval will be needed as the Amendment effective date is June 1, 2025. Amendment No. 2 will extend the original lease term, which was set to expire on July 23, 2032, by 15 years, to May 31, 2040, for the Premises. The 15-year Lease renewal will include improvements to the Premises and grounds to include two additional classrooms and a playground. If HACSB wishes to redevelop the Premises to support its housing functions, the Amendment allows HACSB to terminate the lease no earlier than 5 years after the completion of improvements by the County, provided HACSB reimburses the County for the fair appraised value of the cost of the improvements. HACSB does not expect redevelopment of the premises to occur where this cause would be initiated. The Amendment removes any further extension option.

The Amendment further transfers HACSB's obligations to the County to perform several maintenance obligations under the lease, including maintaining the Property grounds, including parking areas, lighting and landscaping, fire extinguishers, interior space and playground space, replacing carpet throughout the interior, and repainting the interior. The County will also be responsible for pest control services to the interior spaces, while HACSB will provide pest control services to the outdoor portions of the leased space. Additionally, HACSB will include security services for the property as part of HACSB's shared security services contract after-hours (4:30 – 7:30 p.m.).

The Premises will accommodate children in the Head Start program, provided such activities may continue to be fully funded. The Amendment increases the rental rate schedule and transfers obligations from HACSB to the County for providing pest control services to the interior of the

Amendment to Lease Agreement with San Bernardino County Preschool Services for Classroom, Office and Playground Space at the Whitney Young Head Start Facility.
June 10, 2025

buildings, maintaining the rented area, servicing fire extinguishers, replacing carpet and repainting the interior of the buildings.

PROCUREMENT

Not applicable.

ITEM ATTACHMENTS

- Contract - Lease Amd w Housing Authority-17-466 A2
- Attachment 1 - 2024.07.18_HACSB Whitney Young Preschool - Program Bubble Diagram
- Attachment 2 - 6.SD Facility Plans_[45 CFR §1303.44(a)(3)]-2 - Whitney Young

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 19, 2025.



Contract Number

17-466 A2

SAP Number

Real Estate Services Department

Department Contract Representative	Terry W. Thompson, Director
Telephone Number	(909) 387-5000
 Contractor	 Housing Authority of the County of San Bernardino
Contractor Representative	Rishad Mitha
Telephone Number	909-332-6315
Contract Term	March 13, 2018 – May 31, 2040
Original Contract Amount	\$ 504,048
Amendment Amount	\$1,350,237
Total Contract Amount	\$1,854,285
Cost Center	7810001000
GRC/PROJ/JOB No.	5900 3717
Internal Order No.	
Grant Number (if applicable)	09CH011719-05

IT IS HEREBY AGREED AS FOLLOWS:

This **SECOND AMENDMENT TO LEASE AGREEMENT** ("Second Amendment") is made as of May 20, 2025 ("Effective Date"), by and between the HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO, a public body, corporate and politic ("LANDLORD"), and the COUNTY OF SAN BERNARDINO, a political subdivision of the State of California ("COUNTY"), who are collectively referred to herein as the "Parties".

RECITALS

WHEREAS, the Parties have previously entered into a Lease Agreement, Contract No. 17-466, dated June 27, 2017 ("Lease"), wherein LANDLORD agreed to lease certain real property to the COUNTY on the terms and conditions stated in the Lease;

WHEREAS, the Parties entered into that certain First Amendment to the Lease ("First Amendment") on March 18, 2018 to change the lease contingency date and to amend certain other terms of the Lease as further set forth therein; and

WHEREAS, the Parties now desire to enter into this Second Amendment to amend the Lease by increasing the leased area comprising the Interior Space, as that term is defined in the Lease, to add an additional 4,787 square foot areas to the existing 1,512 square foot space, adjusting the rent, extend the Term of the Lease to May 31, 2040, and describe the process for COUNTY to plan for and develop COUNTY-desired improvements to the expansion area of the Interior Space to accommodate additional classroom amenities for COUNTY's educational needs, adjust the monthly rental payments and amend other terms of the Lease.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as of the Effective Date first written above, the Lease Agreement, Contract No. 17-466, as amended by the First Amendment is amended as follows:

1. Effective June 1, 2025, DELETE in its entirety the existing **Paragraph 2, PREMISES LEASED**, and **Exhibit “A” – PREMISES**, shall be replaced in its entirety with the following new **Paragraph 2, PREMISES LEASED** and **Exhibit “A”** attached and incorporated herein, to read as follows:

“2. PREMISES LEASED:

A. LANDLORD leases to COUNTY and COUNTY leases from LANDLORD certain premises of (i) approximately 6,299 square feet of office and classroom space for COUNTY’s exclusive use (“Interior Space”) comprising the entirety of the single story building (“Building”) and (ii) approximately 18,100 square feet of land (“Leased Land”), which Leased Land shall be for COUNTY’s exclusive use as an exterior playground area on said land (“Playground Space”) and as office and classroom space within two (2) modular buildings to be installed by COUNTY on said land (“Modular Buildings”) for a total of approximately 24,399 square feet leased (the Interior Space and the Leased Land shall collectively be referred to as the “Premises”), located on the real property commonly known as 1755 Maple Street, San Bernardino, California (“Property”). The Premises is more particularly depicted in **Exhibit “A”**, attached hereto and incorporated herein by reference. The parties hereby agree that the Premises shall not be re-measured at any time during the term of the Lease, including any extensions thereof.

B. Along with the Premises, LANDLORD grants to COUNTY, at no additional cost for the Initial Term and any extensions thereof: (i) the right to the use of all parking spaces, in the parking lot located on the Property, and (ii) the right of ingress and egress to the Premises and the parking lot at the Property.”

2. Effective June 1, 2025, the existing **Paragraph 3 TERM**, as amended by the First Amendment, shall be amended as to **Subsections A and B** thereunder to extend the original Initial Term to May 31, 2040, and Landlord’s right to terminate the Lease for housing redevelopment-related purposes, with all other Subparagraphs thereunder remaining unmodified, which amended **Subparagraphs A and B** shall read as follows:

“3. TERM:

A. Initial Term. The Lease’s initial term (“Initial Term”) shall commence on March 13, 2018 (“Commencement Date”) and end on May 31, 2040 (“Ending Date”). The Code of Federal Regulations, 45 CFR § 1303.50 – Third party leases and occupancy agreements- requires that the Lease, when COUNTY Preschool Services Department Head Start Program receives federal funds to renovate a facility or modular unit on real property the COUNTY does not own, provide for the right of continued use and occupancy of the leased premises during an entire term of at least fifteen years.

B. Termination Upon Redevelopment of Premises. Should LANDLORD determine in its discretion that it desires to redevelop the Premises for its housing-related needs before the end of the Term, LANDLORD may terminate this Lease after the 15th year following the issuance of a certificate of occupancy for the Tenant Improvements, with no right of LANDLORD to terminate pursuant to this Subparagraph 3.B before such time, subject to the following provisions:

(1) LANDLORD shall provide at least twelve (12) months’ prior written notice (“Redevelopment Termination Notice”) to COUNTY of its intent to exercise its rights to terminate the Lease pursuant to this Subparagraph 3.B. The Lease shall remain in place until the expiration of twelve (12) months following the delivery date of the Redevelopment Termination Notice (“Remainder Period”) to allow time for COUNTY to relocate its activities on the Premises.

COUNTY may request an extension of the Remainder Period for up to an additional six (6) months if it can demonstrate to LANDLORD that it is unable to provide for relocation of its activities within the twelve (12) month period, despite its good faith efforts.

(2) Any termination pursuant to this Subparagraph 3.B. after fifteen (15) years from the date of the issuance of a certificate of occupancy for the Tenant Improvements shall not require LANDLORD to provide any reimbursement for any of the Tenant Improvements.

(3) Pay COUNTY its reasonable relocation expenses, as determined by LANDLORD or its relocation consultant.

(4) As a further accommodation to COUNTY, LANDLORD shall incorporate the Head Start activities performed by COUNTY on the Premises as part of LANDLORD's redevelopment of the Premises; provided such activities may continue to be fully funded in the redeveloped Premises.

(5) COUNTY shall continue to pay Rent during the Remainder Period and until such time as COUNTY fully vacates the Premises; provided that COUNTY, in its sole discretion, may terminate this Lease and vacate the Premises before the end of the Remainder Period; provided COUNTY give LANDLORD written notice of such termination at least thirty (30) days prior to the effective date of termination, at which time COUNTY shall fully vacate the Premises.

(6) LANDLORD shall either relocate COUNTY to a new facility, or secure an alternate location while redevelopment is in progress, with no breaks in the services the COUNTY provides to the public."

3. Effective June 1, 2025, DELETE in its entirety the existing **Paragraph 4, RENT**, and replace in its entirety with the following new **Paragraph 4, RENT**, to read as follows:

"4. **RENT:**

A. Premises. COUNTY shall pay to LANDLORD at the address set forth in Paragraph 25, the following monthly rental payments for the Interior Space in arrears not later than the last day of each month, commencing on the Effective Date of this Amendment.

Lease Year	Monthly Rent
June 1, 2025 - May 31, 2026	\$7,340.00
June 1, 2026 - May 31, 2027	\$7,560.00
June 1, 2027 - May 31, 2028	\$7,787.00
June 1, 2028 - May 31, 2029	\$8,021.00
June 1, 2029 - May 31, 2030	\$8,261.00
June 1, 2030 - May 31, 2031	\$8,509.00
June 1, 2031 - May 31, 2032	\$8,764.00
June 1, 2032 - May 31, 2033	\$9,027.00
June 1, 2033 - May 31, 2034	\$9,298.00
June 1, 2034 - May 31, 2035	\$9,577.00
June 1, 2035 - May 31, 2036	\$9,864.00
June 1, 2036 - May 31, 2037	\$10,160.00
June 1, 2037 - May 31, 2038	\$10,465.00
June 1, 2038 - May 31, 2039	\$10,779.00
June 1, 2039 - May 31, 2040	\$11,102.00

B. Payment. Rent for any partial month shall be prorated based on the actual number of days of the month. LANDLORD shall accept all rent and other payments from COUNTY under this LEASE via electronic funds transfer (EFT) directly deposited into LANDLORD's designated checking or other bank account. LANDLORD shall promptly comply with

directions and accurately complete forms provided by COUNTY required to process EFT payments.

C. Procurement Registration. LANDLORD agrees to register through the San Bernardino County's Electronic Procurement Network (ePro) system at <https://epro.sbcounty.gov/epro/> or the SAP system."

4. Effective June 1, 2025 DELETE in its entirety the existing **Paragraph 6, OPTION TO EXTEND TERM**, which shall be of no further force or effect.

5. Effective June 1, 2025 DELETE in its entirety the existing **Paragraph 13, MAINTENANCE. Subparagraphs 13.A.(5), (6), (7), (8), and (9)** as such that LANDLORD shall not be required to provide the services set forth in those deleted Paragraphs and replace with the following new **Subparagraphs 13.A.(5) and (6)**:

"A. . . .

(5) LANDLORD shall, at LANDLORD's sole cost and expense, keep the Leased Land free from insects, pests or vermin at all times as reasonably possible; provided that COUNTY, at its sole cost and expense, shall be solely responsible for keeping the Interior Space free from insects, pests or vermin at all times as reasonably possible. Prior to employing a licensed exterminator, COUNTY shall notify LANDLORD in writing specifying the work to be done and the name of the contractor for LANDLORD's prior written approval, which approval shall not be unreasonably withheld.

(6) At COUNTY's request and sole cost, LANDLORD will include the Property as part of its after-hours (4:30 p.m. through 7:30 a.m.) security services contract it maintains, which is shared with other sites owned or operated by LANDLORD near the Property such that such security personnel shall periodically patrol the Property as part of their patrol services for any illegal or illicit activities at or around the Property during after-hours and contact the local law enforcement agency to address any concerns observed. Should COUNTY request such after-hours security services from LANDLORD, LANDLORD shall advise COUNTY of the added costs to provide COUNTY such services, including any periodic adjustment of such costs and, if COUNTY agrees, COUNTY shall pay LANDLORD the entirety of such added costs and such payment shall be made by COUNTY to LANDLORD at the same time and in addition to the Rent payments made by COUNTY under Paragraph 4 above. COUNTY further acknowledges and agrees that any security of the Interior Space or the Premises as a whole shall be provided by COUNTY at its own cost and expense, whether or not COUNTY requests after-hours security services from LANDLORD pursuant to this Paragraph."

6. Effective June 1, 2025, DELETE in its entirety the existing **Paragraph 14, ALTERATIONS**, and replace with the following new **Paragraph 14, ALTERATIONS AND IMPROVEMENTS**, to read as follows:

"14. ALTERATIONS AND IMPROVEMENTS:

- A. Approval. Any improvements to the Interior Space and exterior for the purpose of providing for additional classroom facilities and related amenities in support of COUNTY's functions, as such improvements are further described in Exhibit "B" to this Lease ("Tenant Improvements"), shall be performed by COUNTY, at its sole cost and expense. Except as specified below, prior to making any Tenant Improvements, COUNTY shall provide to LANDLORD's Director of Development copies of plans and specifications for its proposed Tenant Improvements ("Plans and Specifications") for LANDLORD's review and approval, which shall not be unreasonable withheld or delayed. COUNTY shall not commence construction of any Tenant Improvements which require LANDLORD's approval until LANDLORD approves the Tenant Improvements in writing. COUNTY shall notify the LANDLORD in a timely manner of any changes in the proposed Tenant Improvements. COUNTY shall pay LANDLORD's actual and reasonable costs incurred for review of the

Plans and Specifications for the proposed Tenant Improvements. COUNTY shall be solely responsible for constructing any Tenant Improvements in accordance with the approved Plans and Specifications.

- B. Standard of Construction. Notwithstanding the provisions of Section 41, all Tenant Improvements will be constructed by COUNTY, at COUNTY's sole cost and expense, in a good and workmanlike manner that conforms to all applicable laws, and by licensed and bondable contractors reasonably acceptable to LANDLORD. COUNTY shall only use good grades of materials. LANDLORD may monitor construction of the Tenant Improvements. LANDLORD's right to review Plans and Specifications and to monitor construction shall be solely for its own benefit, and LANDLORD shall have no duty to see that such Plans and Specifications or construction comply with the Laws.
- C. Permits. COUNTY shall obtain any and all applicable permits and governmental approvals required for all Tenant Improvements performed by COUNTY and shall immediately provide to LANDLORD copies thereof. COUNTY shall provide a Certificate of Occupancy upon completion of the Tenant Improvements.
- D. Laws. COUNTY shall cause all work performed in connection with the Tenant Improvements to be performed in a workman like manner, in accordance with sound building practices, and in compliance with (i) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal governments or agencies now in force or that may be enacted hereafter; and (ii) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. The work shall proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and COUNTY shall be responsible to the LANDLORD for the procurement and maintenance thereof, as may be required of COUNTY and all entities engaged in work on the Tenant Improvements.
- E. COUNTY Construction Obligations. COUNTY may utilize the services of LANDLORD's retained architect, Sillman, pursuant to the on-call contract between Sillman and LANDLORD, or such other architectural firm LANDLORD may designate ("Architect") to develop the plans for the Tenant Improvements. Should COUNTY utilize Architect's services, COUNTY shall timely pay all invoices issued to LANDLORD for services related to the Tenant improvements, including services performed before the date of the Second Amendment. Any interest or penalties accrued in any delayed payment shall be COUNTY's responsibility. Should COUNTY delay payment beyond thirty (30) days of the date of any invoice, LANDLORD may suspend further services by Architect related to the Tenant Improvements until COUNTY pays all outstanding invoices. COUNTY, at its own cost and expense, shall retain and provide LANDLORD with the identities and mailing addresses of all persons, contractors, subcontractors or material suppliers performing Tenant Improvements prior to beginning such work, and LANDLORD may post on and about the Premises notices of non-responsibility pursuant to applicable law.
- F. Liens. No liens may be filed against the Premises. COUNTY shall promptly pay and discharge all claims for work or labor done, materials furnished, or services rendered in the construction of the Tenant Improvements and shall keep the Premises free and clear of all mechanics' and materialmen's liens in connection therewith. COUNTY shall file a valid notice of cessation or notice of completion upon cessation of the construction of the Initial County Improvements for a continuous period of thirty (30) days or more. Upon completion of any Tenant Improvements, COUNTY shall deliver to LANDLORD sworn statements setting forth the names of all contractors and subcontractors who did work on the Tenant Improvements and final lien waivers from all such contractors and subcontractors.

- G. Insurance. At all times during the construction of the Tenant Improvements, COUNTY shall require the general contractor to carry liability, builders' risk, and workers compensation insurance in a form and amounts acceptable to the LANDLORD and to name the LANDLORD as an additional insured on such insurance. COUNTY shall carry appropriate builder's risk insurance and update its property insurance as necessary to cover the Initial County Improvements. COUNTY shall provide certificates of insurance in amounts and from an insurance company reasonably satisfactory to LANDLORD.
- H. Prevailing Wages. In connection with all work on the Premises, COUNTY shall comply with applicable prevailing wage laws under the California Labor Code, as further set forth in Exhibit "F".
- I. Trade Fixtures. COUNTY, at its own cost and expense and without LANDLORD's prior approval, may install equipment, machinery and trade fixtures (collectively "Trade Fixtures") typically and customarily installed at classroom facilities, and the construction, erection, and installation thereof complies with all applicable laws. LANDLORD agrees that all trade fixtures, machinery, equipment, or other property of any kind and nature kept or installed upon the Premises by COUNTY shall not become the property of LANDLORD or a part of the realty no matter how affixed to the Premises and may be removed by COUNTY at any time. Prior to the expiration or termination of this Lease, COUNTY, at its sole expense, may remove its Trade Fixtures; provided such removal may be accomplished without damage to the Premises or Tenant Improvements thereon.
- J. Notice of Nonresponsibility. COUNTY shall provide the LANDLORD with at least five (5) days' prior written notice of the date for the commencement of the construction of the Tenant Improvements in order to permit the LANDLORD to post, file, and record such Notices of Nonresponsibility as may be necessary to protect the LANDLORD and the Premises from claims by contractors."

7. Effective June 1, 2025, DELETE in its entirety the existing **Paragraph 16. UTILITIES** and SUBSTITUTE therefore the following **Paragraph 16. UTILITIES** to read as follows:

"16. **UTILITIES**:

A. LANDLORD shall furnish to the Premises and COUNTY shall pay all service charges and related taxes for electrical, gas, water, trash, and fire alarm service. COUNTY shall furnish and pay for vending machines and its own telephone service including pay telephones in the Premises. COUNTY shall have the option to provide security services for the interior of the Premises for COUNTY's own purposes, which security services, if opted by TENANT, shall not alter LANDLORD's obligations in Paragraph 13, MAINTENANCE.

B. Interruptions. In the event of any interruption of any utilities provided to the Premises, the Building, or the Property and COUNTY determines, in its sole discretion, that COUNTY is unable access the Premises or the Allocated Parking or unable to conduct its operations at the Premises as a result of such interruption, LANDLORD shall expeditiously, subject to any delays by applicable utility providers outside of LANDLORD's control, restore the affected utility service(s) and Monthly Rent shall be abated for the duration of the interruption in proportion to the Premises or portion thereof that is inaccessible or unusable by COUNTY to conduct its operation and COUNTY shall have the right to deduct the abated amount from the Monthly Rent and other sums next due for the period from the date the interruption commenced until such time that the affected utility is fully restored."

8. Effective June 1, 2025, DELETE in its entirety the existing **Paragraph 22, COUNTY'S DEFAULT** and SUBSTITUTE therefore the following **Paragraph 22, COUNTY'S DEFAULT** to read as follows:

22. **COUNTY'S DEFAULT**: The occurrence of any one or more of the following events shall

constitute a material default of the Lease by COUNTY: (i) vacating or abandoning the Premises for more than thirty (30) consecutive days while Monthly Rent is concurrently in arrears; or (ii) failure by COUNTY to perform any material provisions of the Lease to be performed by COUNTY, including the payment of Monthly Rent, where such failure is not cured within thirty (30) days following COUNTY's receipt of written notice of default from LANDLORD; provided, however, if the nature of the default is such that it cannot reasonably be cured within thirty (30) days, COUNTY shall not be in default of the Lease if COUNTY commences to cure the default within the thirty (30) day period and thereafter diligently and in good faith prosecutes such cure to completion. The purpose of this notice requirement is to extend the notice requirements of the unlawful detainer statutes of California. Pursuant to 45 CFR § 1303.50, the regional grants management officer of the U.S. Department of Health and Human Services (HHS) is designated to receive a copy of any notice of default given to the COUNTY under the terms of the agreement at the following address: 90 7th Street, 9th floor, San Francisco, CA 94103. The responsible HHS official has the right to cure any default under the lease within the designated period to cure default; and, has the right to transfer the lease to another interim or replacement Head Start agency grantee of federal Children and Families Head Start Program funds.

9. Effective May 20, 2025, ADD **Exhibit "H" – OHS Lease Rider**, attached and incorporated herein. COUNTY hereby agrees that any obligation of any kind to the United States Department of Health and Human Services, Administration for Children and Families under the OHS Lease Rider for relocation or payment for the Improvements or Modular Unit thereunder shall be borne solely by COUNTY and not LANDLORD.

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

11. **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 Amendment.

12. **Counterparts.** This Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument. The parties shall be entitled to sign and transmit an electronic signature of this Second Amendment (whether by facsimile, PDF, or other mail 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 Second Amendment upon request.

13. **Corporate Authority.** The persons executing this 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 Amendment on behalf of said party, (iii) by so executing this Amendment, such party is formally bound to the provisions of this Amendment and (iv) the entering into this Amendment does not violate any provision of any other agreement to which said party is bound.

[SIGNATURES APPEAR ON NEXT PAGE]

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SAN BERNARDINO COUNTY



Dawn Rowe, Chair, Board of Supervisors

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

Lynna Monell
Clerk of the Board of Supervisors
San Bernardino County

By _____
Deputy

HOUSING AUTHORITY OF THE COUNTY OF
SAN BERNARDINO

(Print or type name of corporation, company, contractor, etc.)

By  _____
(Authorized signature - sign in blue ink)

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

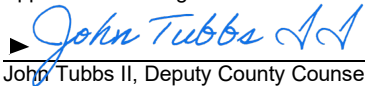
Title Executive Director
(Print or Type)

Dated: _____

Address _____

FOR COUNTY USE ONLY

Approved as to Legal Form


John Tubbs II, Deputy County Counsel

Date 5-13-25

Reviewed for Contract Compliance



Date _____

Reviewed/Approved by Department



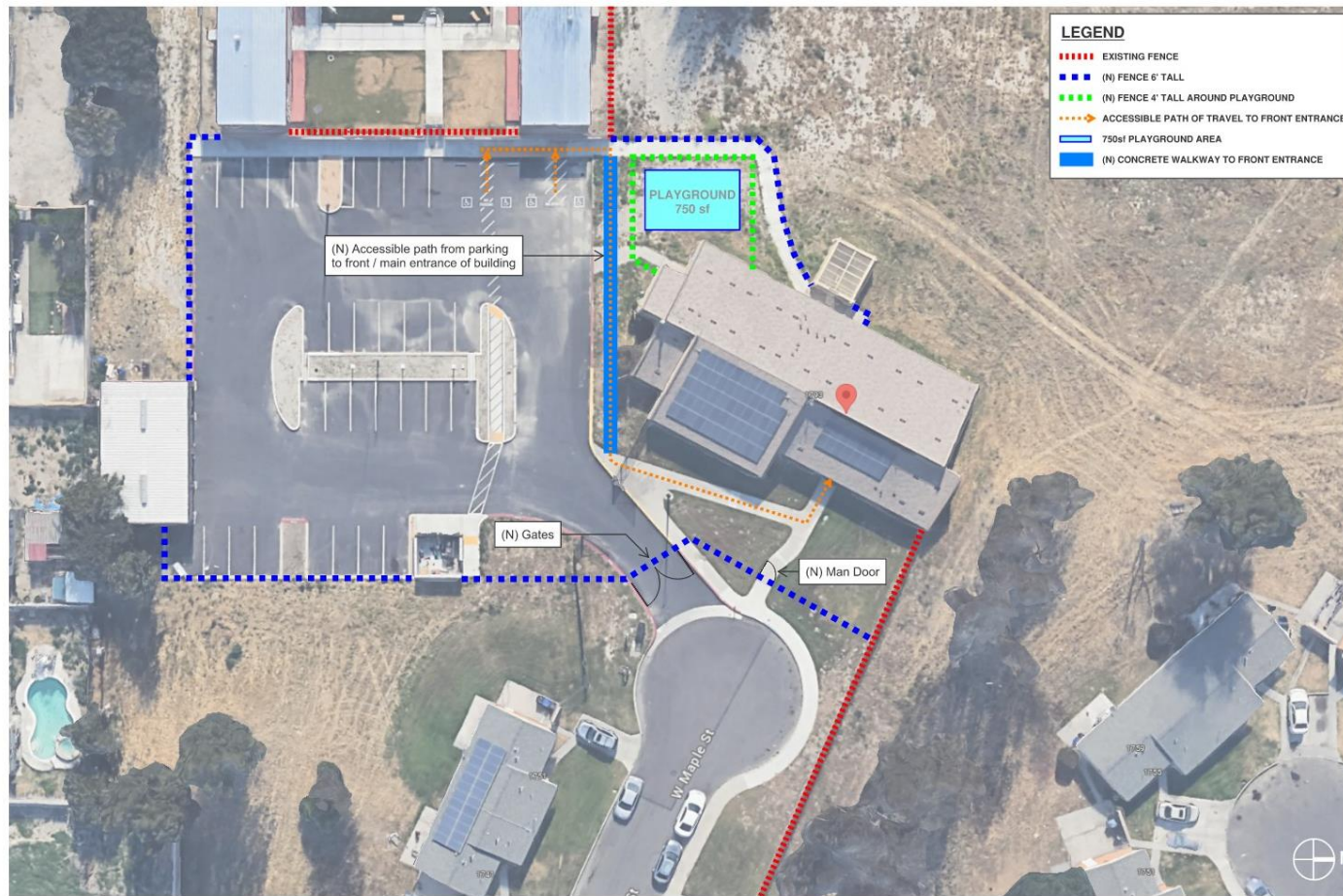
Terry W. Thompson, Director, RESD

Date _____

EXHIBIT "A"

PREMISES

The Premises is comprised of approximately 6,299 square feet of office and classroom space for COUNTY's exclusive use ("Interior Space") comprising the entirety of the single story building ("Building") and (ii) approximately 18,100 square feet of land ("Leased Land"), which Leased Land shall be for COUNTY's exclusive use as an exterior playground area on said land ("Playground Space") and as office and classroom space within two (2) modular buildings to be installed by COUNTY on said land ("Modular Buildings") for a total of approximately 24,399 square feet leased (the Interior Space and the Leased Land shall collectively be referred to as the "Premises"), located on the real property commonly known as 1755 Maple Street, San Bernardino, California ("Property").

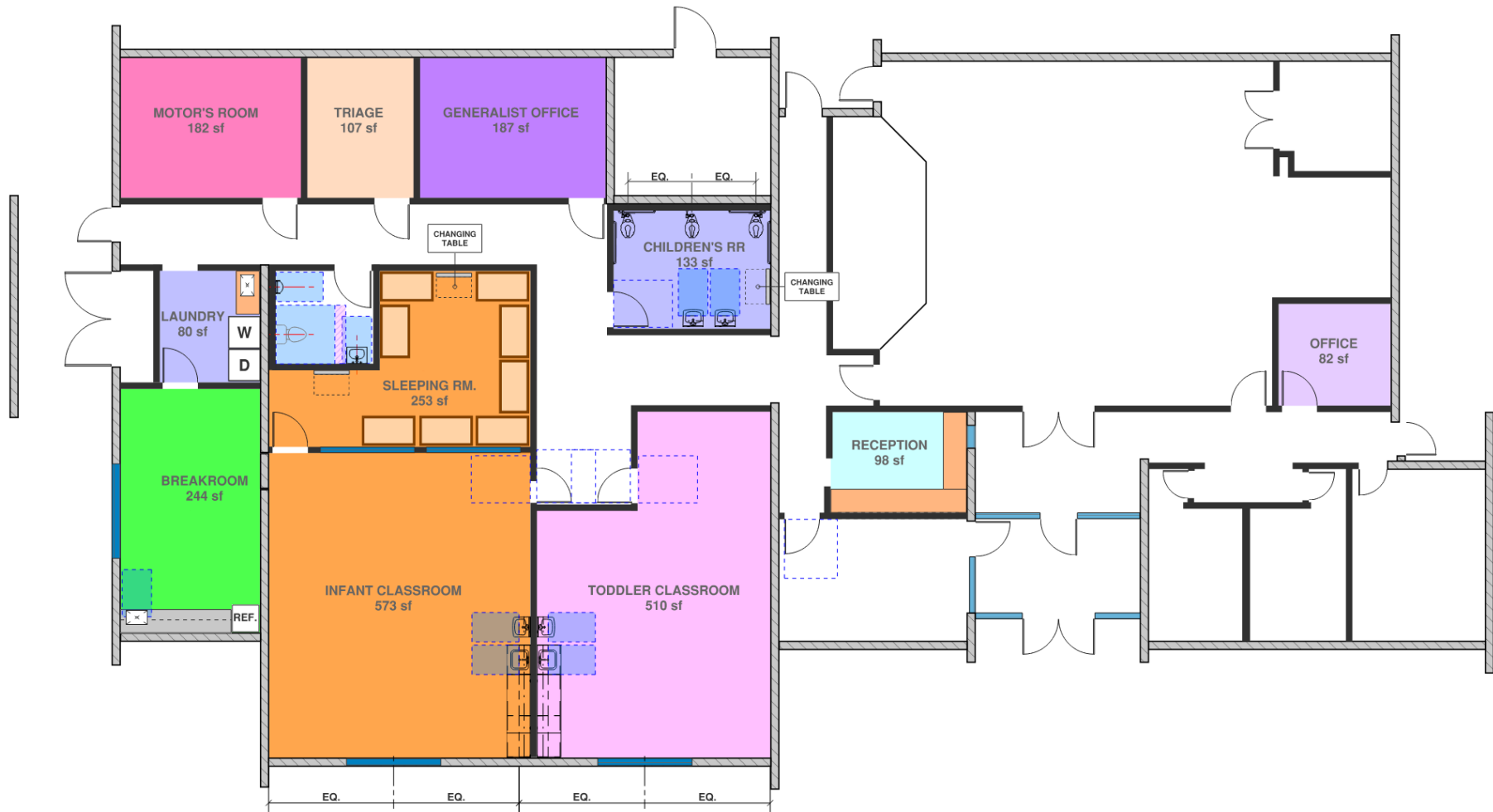


PROPOSED SITE PLAN

SCALE: 1" = 40'-0"

EXHIBIT "B"

TENANT IMPROVEMENTS



PROPOSED FLOOR PLAN LAYOUT

SCALE: 1/8" = 1'-0"

EXHIBIT "H"

OHS LEASE RIDER

This Lease RIDER ("Rider"), made as of **May 20, 2025**, by and between **Housing Authority of the County of San Bernardino** ("Lessor"), **San Bernardino County** ("Tenant"), and United States Department of Health and Human Services, Administration for Children and Families ("HHS/ACF") attaches to the lease between Lessor and Recipient/Grantee entered into on **May 20, 2025**, for the real property located at **1755 Maple Street, San Bernardino, California 92411** ("Lease"). HHS/ACF is not a party to the attached Lease, but joins in execution of this document solely to evidence its consent to the provisions hereof.

WITNESSETH:

WHEREAS, Lessor is the owner of real property located at 1755 Maple Street, San Bernardino, California 92411 and described in Exhibit A attached hereto and hereby incorporated into this Rider (the "Property");

WHEREAS, On _____, the United States Department of Health and Human Services, Administration for Children and Families ("HHS/ACF") awarded Grant Number _____ in the amount of _____ to Tenant for the purpose of operating a Head Start facility in San Bernardino, California.;

WHEREAS, Tenant has agreed to lease the above-described Property ("Leased Premises") from Lessor for the purpose of operating a Head Start facility, pursuant to a lease, a copy of which is attached hereto as Exhibit B (the "Lease"), which establishes a leasehold interest (the "Leasehold") for the benefit of the Tenant;

WHEREAS, HHS/ACF has approved Tenant's planned use of its award of Head Start grant for placement of a modular unit on Leased Premises or to fund leasehold improvements on the Leased Premises, which consist of either construction of a facility on the Property or major renovation of the Leased Premises (the "Improvements"), and;

WHEREAS, HHS/ACF has and will continue to have a Federal Interest (defined below) in the Leasehold and Improvements because the Tenant has used Federal grant funds awarded by HHS/ACF to place a modular unit on the Leased Premises or make Improvements to the Leased Premises. The Federal Interest includes any future HHS/ACF awards made for Improvements to the Leasehold.

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, the Parties agree as follows:

1. Definitions: Under this Rider, the following terms are defined as follows:

- (a) Event of Default: The term "Event of Default" means an event of default under the Lease.
- (b) Federal Interest: The term "Federal Interest," in the context of the Lease, is the interest of HHS/ACF in the Leasehold that secures the remaining value of the Improvements.
- (c) Lessor: The term "Lessor" means and/or its heirs, assignees, and successors under this Rider and the Lease.
- (d) Modular Unit: The term "Modular Unit" means a portable prefabricated structure made at another location and moved to a site for use by a Head Start recipient/grantee to carry out a Head Start program, regardless of the manner or extent to which the modular unit is attached to the underlying real property.
- (e) Parties: The term "Parties" shall refer to Lessor, Tenant, and their respective heirs, successors, and assignees under this Rider and the Lease.
- (f) Tenant: The term "Tenant" means and/or its heirs, assignees, and successors under this Amendment and the Lease.

2. Federal Interest.

- (a) This Lease Rider evidences a Federal Interest in the Leasehold that secures the right of the federal awarding agency to recover the remaining value of the Improvements in the event that a lease is terminated prior to expiration of its full term, including costs associated with relocation or replacement of a modular unit following such termination.
- (b) The Federal Interest in the Leasehold of a facility on which the Tenant has made major renovations with Federal Head Start funds or placement of a modular unit on the Leased Premises continues for a period of at least 15 years and the Federal Interest in the Leasehold of land on which the Tenant has constructed a facility with Federal Head Start funds continues for a period of at least 30 years notwithstanding any termination of the lease prior to completion of its original term.
- (c) In the event of termination prior to completion of the original term of the Lease, the value of the Improvements will be determined by applying the remaining term of the Lease expressed as a percentage of the entire term and applying the resulting percentage to the amount of Federal Head Start funds awarded to the Recipient/Grantee for the Improvements. The value of the Improvements at the time of termination and any costs associated with relocation or replacement of a modular unit following such termination is subject to disallowance at the discretion of the awarding agency.

3. Tenant's Obligations.

- (a) The Tenant agrees not to sublease, assign, or otherwise transfer the Leased Premises, or use the Leased Premises for any non-grant purpose, without the express written approval of the responsible HHS/ACF official.
- (b) The Tenant agrees to provide HHS/ACF with notice:
 - (1) Of any Event of Default by the Tenant, on the date of the discovery of such Event of Default; and/or
 - (2) That the Lessor has notified the Tenant of its intent to exercise the remedy of cancellation, termination, and/or other remedies, on the day that the Tenant receives such notice from the Lessor.

4. Lessor's Promise To Notify HHS/ACF.

The Lessor agrees to provide HHS/ACF with notice:

- (a) Of any Event of Default by the Tenant, as soon as the Lessor first knows of such default;
- (b) That the Lessor intends to exercise its remedy of cancellation, termination, and/or any other remedy, on the day that Lessor notifies the Tenant that it intends to exercise such remedy or remedies;
- (c) That the Lessor intends to mortgage the Leased Premises; and/or
- (d) Of any lien or other encumbrance affecting title that has been attached to the Leased Premises, as soon as practicable after Lessor first knows of any such lien or other encumbrance affecting title.

5. Addresses For Notification To HHS/ACF.

Whenever notice to HHS/ACF is required under this Rider, the Lessor and the Tenant promise to provide both telephonic and written notification (by registered mail, return receipt requested) to the following HHS/ACF offices, or to their successors:

- (a) Jennifer Curtiss
Office of Grants Management
Administration for Children and Families
U.S. Department of Health and Human Services
601 East 12th, Suite 3
Kansas City, MO 64106
Telephone Number: 816-426-2991
- (b) Tala Hooben
Director, Office of Head Start
Administration for Children and Families
330 C St., S.W.
Washington D.C. 20201
Telephone Number: 202-401-3441
- (c) Office of the General Counsel, Children, Families, and Aging Division
United States Department of Health and Human Services
330 Independence Avenue, S.W., Rm. 4276
Washington, DC 20201
Telephone Number: (202) 690-8005

In addition, if the offices listed above have a change of name, address, and/or telephone number, the Lessor and the Tenant further agree to take all reasonable action necessary to discover and notify the appropriate government offices listed in this section.

6. Contents of Notification to HHS/ACF.

The Lessor and the Tenant agree to include the following information in the written notice to HHS/ACF whenever such notice is required under this Rider:

- (a) The full names, addresses, and telephone numbers of the Lessor and the Tenant and the address of the Leased Premises;
- (b) The following statement, prominently displayed at the top of the first page of the notice:

The Federal Interest in certain real property or equipment purchased or improved by the Office of Head Start may be at risk. Immediately give this notice to the appropriate government official.
- (c) The date and the nature of the default and the manner in which the default may be cured and/or an explanation of other circumstances that required the notice;
- (d) In the event that the Lessor will be exercising the remedy of cancellation, termination, and/or other remedies, the date or expected date of the cancellation and/or exercise of any remedy or remedies.
- (e) Of any notice of foreclosure or other action to enforce a remedy against the Leased Premises by a third party on the day that Lessor receives notice of such foreclosure or other action.

7. Tenant's Promise to Notify Lessor of Changes in HHS/ACF's Address.

The Tenant agrees to give the Lessor written and telephonic notice of any change of name, address, and/or telephone number of an HHS/ACF office listed in Section 5. If one or more of the HHS/ACF offices listed in Section 5 stops operating, the Tenant agrees to give the Lessor written and telephonic notice of the name, address, and telephone number of the succeeding Federal office(s) to which notice must be given.

8. HHS/ACF's Rights in Event of The Tenant's Default.

If an Event of Default occurs, the Parties agree that HHS/ACF may intervene to ensure that the default is cured by the Tenant, HHS/ACF, or another entity designated by HHS/ACF and that the Lessor shall accept the payment of money or performance of any other obligation by HHS/ACF or its designee, for the Tenant, as if such payment of money or performance had been made by the Tenant. In the event of default, HHS/ACF or its designee has the right to take possession of any modular unit on the leased property and remove it to another location. Unless otherwise specified in Section 8, HHS/ACF shall have sixty (60) days from the date of receipt of notice of the default that has been served in full compliance with Sections 4 through 7 above in which to intervene and to attempt to cure the default. If HHS/ACF fails to respond to any notice of default from Lessor, HHS/ACF's Federal Interest and the Tenant's obligation to repay the remaining value of the Improvements are preserved pursuant to 45 C.F.R. § 1303.49(a)(4).

9. Special Period for Curing Certain Non-Monetary Defaults.

With respect to non-monetary defaults that cannot with due diligence be cured within sixty (60) days from the date of receipt of notice of default that has been served in full compliance with Sections 4 through 7 above, if Tenant, HHS/ACF, or another entity designated by HHS/ACF promptly commences to cure the default within the sixty (60) day period and thereafter continues to attempt to cure the it with due diligence, then the party attempting to cure the default shall have the right to such additional time as may be reasonably necessary to finish curing the default.

10. Delay of Exercise of Remedies Pending Cure.

In the event of a default under the Lease, Lessor agrees that it shall not commence cancellation or termination of the Lease or any other remedies that affect ownership or possession of the Leased Premises until after (i) HHS/ACF has been properly served, in full compliance with Sections 4 through 7, with notice of default and intent to exercise remedies, and (ii) one of the following events has occurred:

- (a) The responsible HHS/ACF official informs the Lessor in writing that HHS/ACF has decided not to cure the default; or
- (b) HHS/ACF fails to timely cure the default within the period of time set forth in Sections 8 or 9.

11. HHS/ACF's Right to Substitute Another Entity Under the Lease.

Notwithstanding any other provision of this Rider or the Lease, the Parties recognize and hereby consent that, in an Event of Default, or the withdrawal or termination of the Tenant from the Federal grant, the Lease may be assumed by an entity designated by HHS/ACF. The Lessor will have the right to approve the entity HHS/ACF designates to assume the Lease, but such approval will not be withheld except for good cause and will not be unreasonably delayed. Any interim or replacement recipient/grantee must, as a precondition to its occupancy of the Leased Premises, execute an Assumption Agreement approved by Lessor and HHS/ACF.

12. Tenant Shall Cooperate With Substitution.

The Tenant covenants and agrees that, in the event HHS/ACF designates another entity, either on an interim or permanent basis, to assume the Tenant's rights, obligations, and liabilities under the grant and the Lease, the Tenant will relinquish to such designee possession and all property interests that the Tenant might have in the Leased Premises, subject to any compensation to which the Tenant may be entitled.

13. Substitution by HHS/ACF Shall Not Constitute an Event of Default.

Notwithstanding any other provisions of this Rider or the Lease, the Parties agree that any substitution of recipients/grantees by HHS/ACF, either on an interim or permanent basis, shall not constitute a default under this Rider or an Event of Default. The Parties further agree that any such substitution by HHS/ACF that is made in accordance with this Rider shall not trigger termination of the Lease or any other remedy under this Rider or the Lease.

14. Notice of Federal Interest in the Leasehold.

This Rider also serves to notify all potential sellers, purchasers, transferors, transferees, mortgagees, creditors, and any other persons or entities who have or may seek to obtain an interest of any kind in the Property of the Federal Interest in the Leasehold.

In accordance with the terms of the Federal grant, the Head Start Act, 42 U.S.C. §§ 9831-9852c, 45 C.F.R. Parts 75 and 1303, and relevant decisions of the United States courts, the restrictions on the use of the Leased Premises include, but are not limited to, the following:

- (a) The Leased Premises may not be used for any purpose inconsistent with that authorized by the Head Start Act and applicable regulations.
- (b) Leased Premises may not be encumbered, used as collateral, sold or otherwise transferred by the Tenant to another party without the written permission of the responsible HHS/ACF official.
- (c) The grant conditions and requirements cannot be altered or nullified through a transfer of ownership.

Further information regarding the Federal Interest in the Leasehold can be obtained from the HHS/ACF Regional Office of Grants Management, at the address provided in Section 5(a).

15. Binding on Heirs, Successors And Assigns.

This Rider shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of each Party but does not otherwise create, and shall not be construed as creating, any rights enforceable by any person not a party to this Rider.

16. Entire Agreement.

This Rider constitutes the entire agreement among the Parties regarding the Federal Interest in the Leasehold, and any other statement, promise, representation or agreement, either written or oral, made by any party or agents of any party, that is not contained in this written Rider shall not be enforceable.

17. Integration and Modification.

No modification, waiver, amendment, or discharge of this Rider shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is sought. No provision of this Rider shall be modified or limited by course of conduct or usage of trade except by an executed written agreement. In the event of a conflict between this Rider and the Lease, the terms of this Rider shall govern.

18. Severability.

In the event that any of the agreements, terms, or provisions contained in this Rider shall be invalid, illegal, or unenforceable in any respect, the validity of the remaining agreements, terms, and provisions contained herein shall not be in any way affected, prejudiced, or disturbed.

19. Knowing and Voluntary Agreement.

The Parties have entered into this Rider voluntarily and with a complete and thorough understanding of its terms, meaning, and effect. Each of the undersigned is signing the Rider voluntarily and freely, without coercion, having had the opportunity to read and raise questions about its meaning prior to signing.

20. Counterparts.

This Rider may be executed in any number of counterparts and by different parties in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

21. Due Authorization.

The persons executing this Rider on behalf of a Party represent and warrant to the other Party that he or she has been duly authorized by such Party to so execute this Rider.

IN WITNESS WHEREOF, the Parties have executed this Rider pursuant to authority duly given, as of the date first above written.

[Signature pages follow.]

HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

Signature: _____

Executive Director

Title

Maria Razo

Name

STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO COUNTY

On this _____, 2025, the undersigned, a Notary Public in and for said State, personally appeared, _____, _____ of _____, personally known to me on the basis of satisfactory evidence to the individual, whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Seal

Notary Public signature

Commission Expires: _____

SAN BERNARDINO COUNTY



Dawn Rowe, Chair, Board of Supervisors

Dated: _____

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

Lynna Monell
Clerk of the Board of Supervisors
San Bernardino County

By _____

Deputy

**UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES**

Signature: _____

Grants Management Officer

On this , before me, the undersigned, a Notary Public in and for said , personally appeared , of the United States Department of Health and Human Services, Administration for Children and Families, personally known to me on the basis of satisfactory evidence to the individual, whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Seal

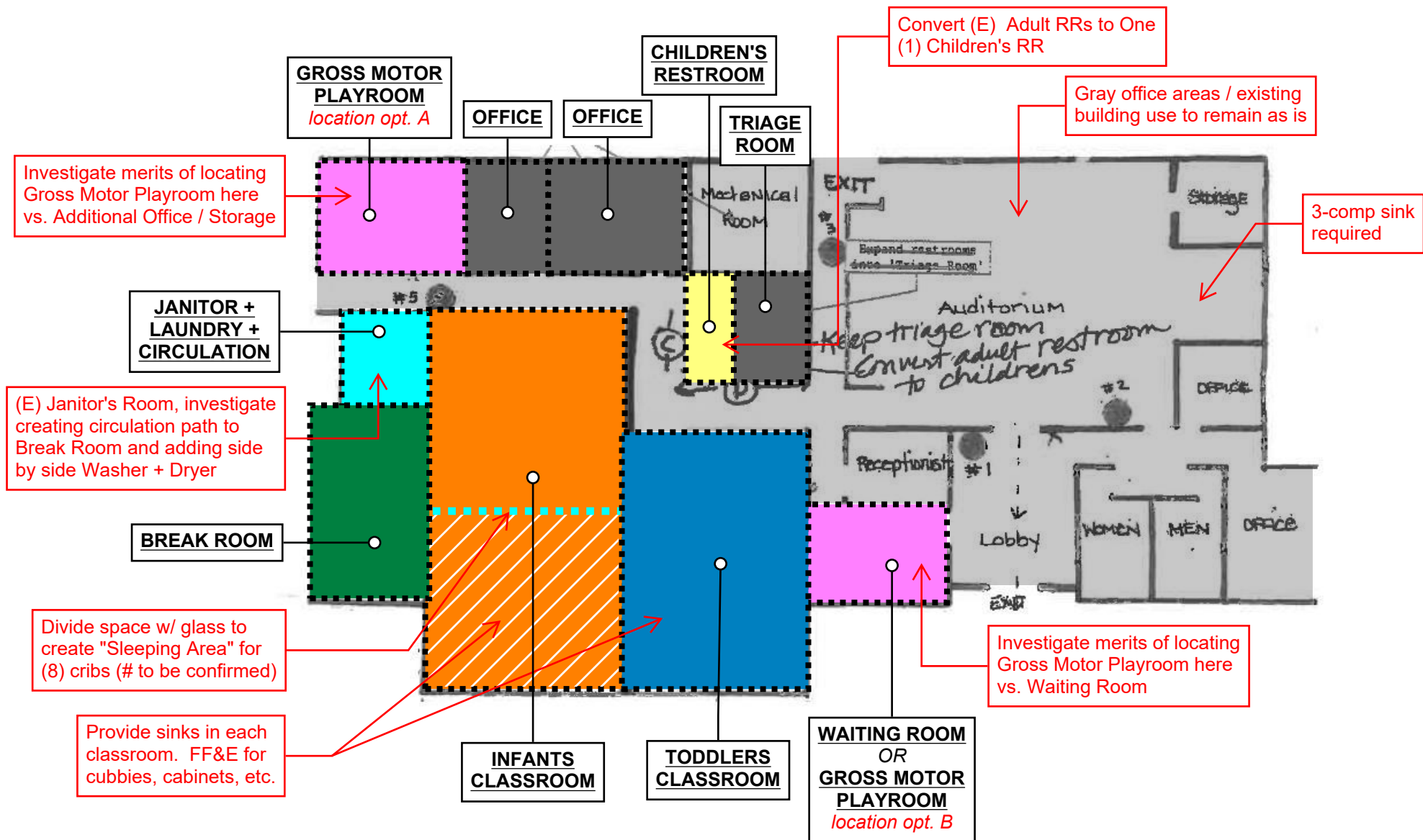
Notary Public signature

Commission Expires: _____

EXHIBIT A

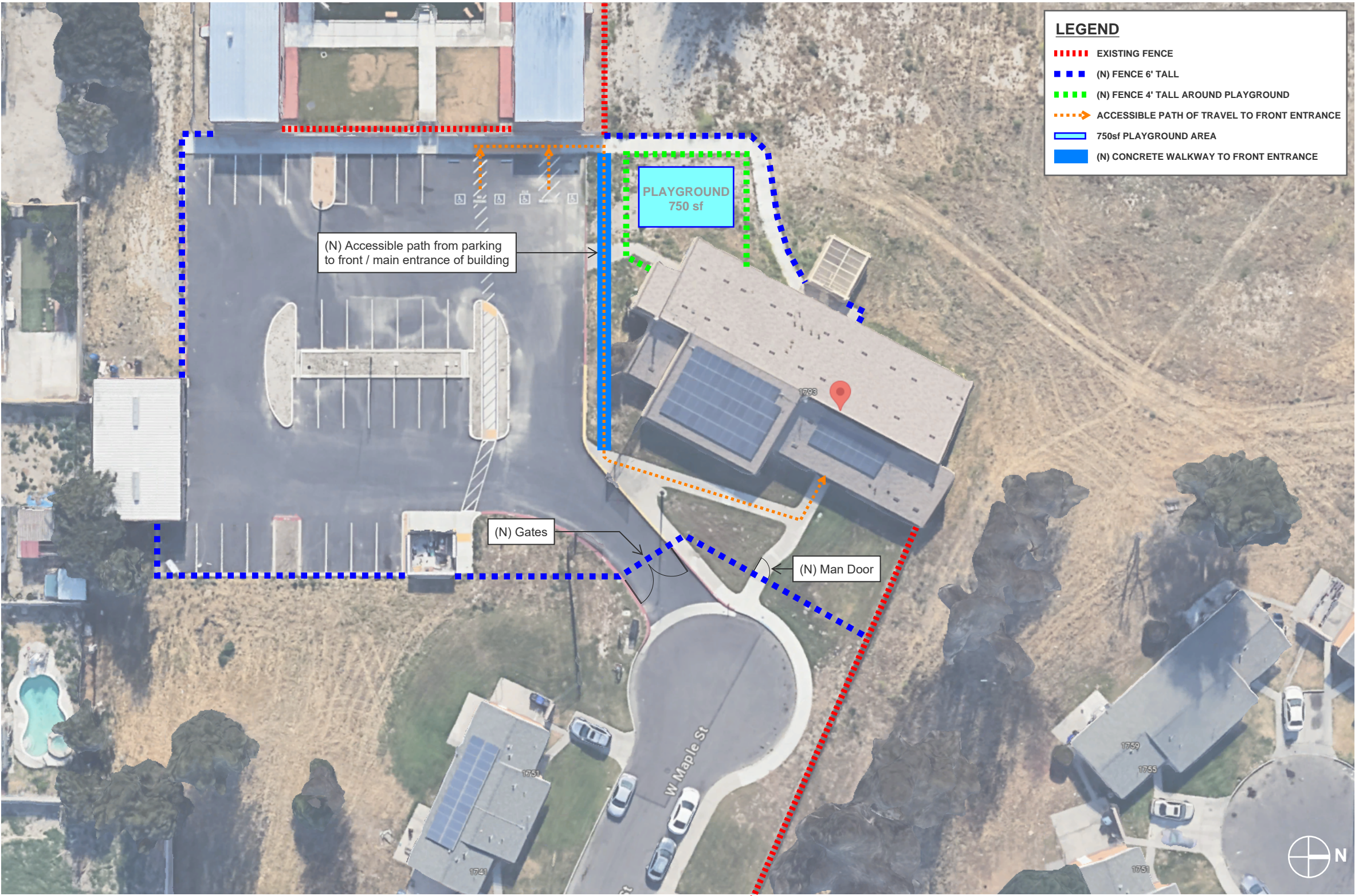
The property legal description from public records is:

TR NO 4006 LOTS 9 THRU 15 23.43 AC



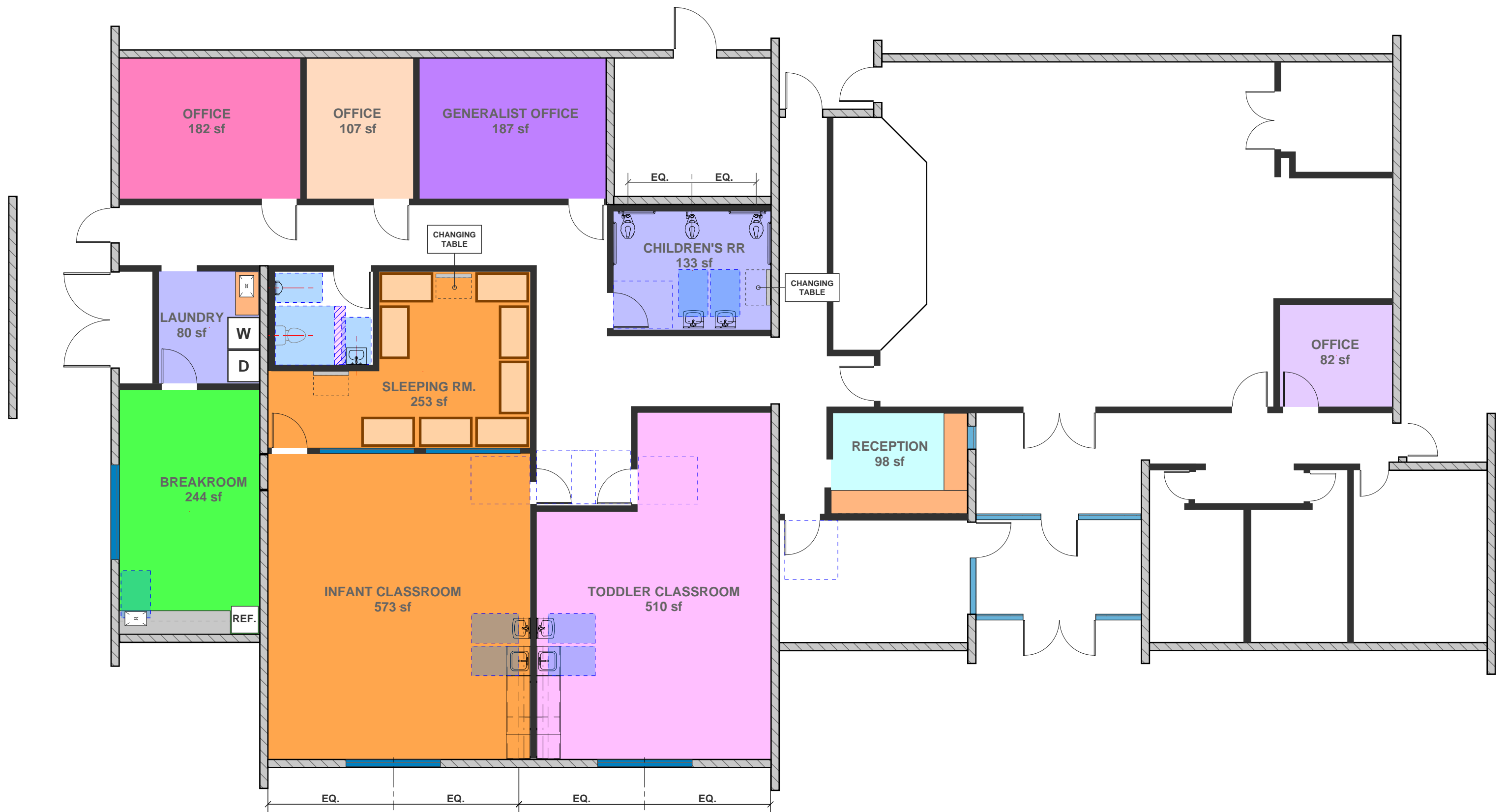
HACSB - Whitney Young Preschool | Bubble Diagram - Option A

Space Use Bubble Diagram | 07.18.24



PROPOSED SITE PLAN

SCALE: 1" = 40'-0"



PROPOSED FLOOR PLAN LAYOUT

SCALE: 1/8" = 1'-0"

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

June 10, 2025

FROM

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

SUBJECT

Notification of Future Bond Issuance for Valencia Grove Phase II

RECOMMENDATION(S)

Authorize the issuance of tax-exempt multifamily bonds by the Housing Authority of the County of San Bernardino (HACSB) to provide permanent financing for the Valencia Grove Phase II project. Staff has initiated the procurement of bond counsel (PC1423) and banker services (PC1418) and is also requesting the board to authorize the use of competitively procured bond counsel and banker.

(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

Issuance of bonds will require legal and bank costs. These costs will be harbored by the overall permanent financing transaction for Valencia Grove Phase II.

BACKGROUND INFORMATION

Valencia Grove Phase II is a new construction affordable housing development being completed in partnership with Housing Partners I, Inc. (HPI). On June 22, 2022, the HPI Board approved Resolution No. 127, authorizing the issuance of up to \$21 million in taxable, variable-rate bonds to serve as interim financing for construction. This draw-down bond structure, supported by letters of credit from Cathay Bank and the Federal Home Loan Bank of San Francisco, was designed to minimize interest costs during the construction period and serve as a bridge to permanent financing.

With construction on track for completion by August 15, 2025, HACSB is now preparing to replace the interim bonds with a new, tax-exempt, fixed-rate bond that will serve as the project's permanent financing. This transition will eliminate variable interest rate exposure, and the costs associated with credit enhancements, while providing a stable, long-term debt structure aligned with the project's affordability period.

To complete the financing package, existing soft loans from HPI will convert from construction-period debt into long-term residual receipt notes. The Housing Authority will issue a new bond for \$28 Million that will act as permanent financing for this project. HACSB's existing loan to the project will be absorbed into this bond issuance. By issuing this bond, the Housing Authority will be able to better control the interest rates due to its S&P rating as a part of the permanent financing for this project. This structure helps minimize cash flow burdens during the early

operating period for the property while preserving the long-term affordability of the project. The transaction will also eliminate HACSB's loan commitment to the project and replace it with more favorable lending terms via our bond structure.

This financing plan is supported by HACSB's recent achievement of an A+ bond rating from S&P Global Ratings. This rating reflects the agency's strong fiscal health and allows access to lower borrowing costs, directly benefiting projects like Valencia Grove Phase II.

PROCUREMENT

On April 1, 2025, HACSB issued Requests for Proposals (RFPs) to secure bond counsel (PC1423) and banker services (PC1418). These professionals will support the legal, financial, and marketing work required to issue the permanent bonds. HACSB intends to award a contract in the amount of \$473,500 to KeyBanc Capital Markets, Inc. for Tax-Exempt Bond Services. In addition, contracts for Bond/Disclosure Counsel Services are anticipated to be awarded to Kutak Rock, LLP for \$105,000 and Orrick, Herrington & Sutcliffe, LLP for \$150,000.

ITEM ATTACHMENTS

- Attachment 1: 2025_3.21_RFP PC1423 - Bond-Disclosure Counsel Services_csg
- Attachment 2: 2025_3.21_RFP PC1418 - Tax Exempt Bonds - Valencia Grove II_csg
- Attachment 3: HPI Board Memo - Resolution No. 127 Valencia Grove II LLC (002)

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 19, 2025.



Housing Authority of the
County of San Bernardino
Building Opportunities Together

REQUEST FOR PROPOSAL – PC1423

BOND/DISCLOSURE COUNSEL SERVICES FOR THE ISSUANCE OF TAX-EXEMPT BONDS FOR VALENCIA GROVE II APARTMENTS

Housing Authority of the County of San Bernardino
715 E. Brier Drive
San Bernardino, CA 92408
April 2025

I. INTRODUCTION

The core work of the Housing Authority of the County of San Bernardino (HACSB) is to administer rental assistance programs to prevent homelessness among low-income households. As the largest provider of affordable housing in San Bernardino County, HACSB proudly assists more than 27,000 people, most of whom are seniors, individuals with disabilities, veterans, and children. Since 1941, HACSB has helped low-income families attain safe and stable housing through a variety of rental assistance programs funded by the U.S. Department of Housing and Urban Development (HUD). More than 11,000 families are served through voucher programs, which enable customers to lease housing in the private rental market, or through affordable housing communities owned by HACSB. HACSB's largest program, the Housing Choice Voucher program, is America's largest homelessness prevention program. The affordable rental housing programs HACSB administers provide a critical safety net for households in San Bernardino County.

Achieving safe and stable housing is only one step on the path toward self-sufficiency. To support our customers' needs beyond housing, HACSB has built and leverages community partnerships that provide supportive services and opportunities. These partners provide a variety of services such as family/individual case management and counseling, career training and job placement, homeownership assistance, educational scholarships, and more. These services create a meaningful difference in the lives of families we serve.

In 2008, Congress designated HACSB as a Moving to Work (MTW) public housing agency. MTW is a national demonstration program for housing authorities created by Congress in 1996. Contrary to its name, the Moving to Work demonstration is not a work requirement program. Instead, the intent of the MTW demonstration is to provide policy and regulatory flexibility to housing agencies to design and test affordable housing strategies and related policies. This designation allows HACSB to waive some HUD requirements to target the statutory objectives of the MTW Demonstration: help clients achieve economic independence, ensure freedom of housing choice, and save taxpayer dollars through efficient work.

The demand for affordable housing continues to increase, and the limited affordable housing supply is not enough to house the thousands of families in need. Over the years HACSB has expanded its housing stock to help meet the county's growing needs through acquisition, development, and redevelopment/expansion of our properties.

We value our vendors and contractors as partners in our mission to empower all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

II. PURPOSE

The purpose of this Request for Proposals is to solicit responses from qualified law firms to furnish legal services to the HACSB as identified in the "Scope of Work" of this request.

HACSB was organized in 1941, under the U.S. Housing Act of 1937. HACSB has a governing Board of Commissioners, which are appointed by the County's Board of Supervisors. The seven commissioners serve this public agency and act as its Board of Commissioners. These individuals give generously of their time in an effort to provide decent and affordable housing to low-income families and seniors within the County of San Bernardino. An Executive Director appointed by the Board is responsible for managing the daily operations of the agency and overseeing a staff of approximately 130 employees. Annual budget for the Authority is approximately \$250 million.

The majority of HACSB's work is to provide rental assistance to low-income families either by housing families in the 2,204 units HACSB owns and manages or by providing subsidized housing assistance to

a landlord for renting their housing unit to 10,798 assisted families. HACSB's provides housing assistance based on the number of rental assistance vouchers and other affordable housing units for which we are authorized and funded through the U.S. Department of Housing and Urban Development (HUD).

A. Contact Information

This RFP is being issued, as will any addenda by the HACSB. The contact person for the HACSB is:

Angie Lardapide, Procurement
715 E. Brier Drive
San Bernardino, CA 92408-2841
(909) 890-0644
procurement@hacsb.com

Proposals and questions will not be accepted by e-mail or facsimile. All proposals must be completed and uploaded into the PlanetBids website or by paper response.

III. Contract Term

The Contract period will be for a two (2) year period beginning approximately July/August 2025 through July/August 2027, with three single or multiple year options to extend the contract until no later than July/August 2030, or until such time as terminated per the terms of the agreement or unless for any reason funds which have been appropriated for the provision of these services are no longer available.

The initial engagement will be for a two (2) year period. In addition, HACSB shall have the option to extend the engagement for up to three (3) additional years, exercised as single or multiple years, at the fee in the original proposal. The optional years shall be exercised by a written amendment executed by each party with Board of Commissioners approval on behalf of HACSB for additional funding on option years if needed.

IV. Proposal Timeline

Release of RFP	April 1, 2025
Questions Due	April 10, 2025 @ 2PM PST
Answers to Questions	April 17, 2025
Proposals Due	May 1, 2025 @ 2PM PST
Evaluation Process	May 2025
Presentations	May 2025 (if applicable)
Award of Contract	July/August 2025

HACSB may insert elective choices such as site visit, oral interviews, presentations, demonstrations, shortlist, best and final offers, etc.

V. Proposal Conditions

A. Authorized Signatures

All proposals must be signed by an individual authorized to bind the Proposer to the provisions of the RFP.

B. Term of Offer

Proposals shall remain open, valid and subject to acceptance anytime within nine (9) months after the proposal opening.

C. Questions

Proposers may submit questions regarding this RFP via PlanetBids by the date stated in Section IV – Proposed Timeline. All questions, without identifying the submitting company, will be compiled with the appropriate answers and issued as an addendum to the RFP and posted on PlanetBids.

D. Required Review

Proposers should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and objectionable material must be made in writing and received by the RFP contact at least ten days before the proposal opening. This will allow issuance of any necessary addendum. It will also help prevent the opening of a defective solicitation and exposure of proposals upon which award could not be made. Protests based on any omission or error, in the content of this RFP, may be disallowed if not brought to the written attention of the RFP Contact in Section II, Paragraph A at least five days before the Deadline for Proposals.

E. Incurred Costs

HACSB is not obligated to pay any costs incurred by Proposer in the preparation of a proposal in response to this RFP. Proposers agree that all costs incurred in developing a proposal are the Proposer's responsibility.

F. Amendments/Addenda to RFP

HACSB reserves the right to issue addenda or amendments to this RFP if HACSB considers that changes are necessary or additional information is needed.

Changes to a proposal or withdrawal of proposals will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline.

G. Best Value Evaluation

As established in this solicitation, HACSB realizes that criteria other than price are important and will award contract(s) based on the proposal that best meets the needs of HACSB. The optimal combination of quality, price, and various qualitative elements of required services will provide HACSB the greatest or best value for its money.

H. Right of Rejection

Offers must comply with all the terms of the RFP, and all applicable local, state, and federal laws, codes, and regulations. HACSB may reject as non-responsive any proposal that does not comply with all the material and substantial terms, conditions, and performance requirements of the RFP.

Proposers may not qualify the proposal nor restrict the rights of HACSB. If Proposer does so, the proposal may be determined to be a non-responsive counteroffer and the proposal may be rejected.

No proposal shall be rejected, however, if it contains a minor irregularity, defect or variation and if the irregularity, defect or variation is considered by HACSB to be immaterial or inconsequential, HACSB may choose to accept the proposal.

Minor informalities may be waived by the Procurement and Contracts Supervisor when they:

- Do not affect responsiveness;
- Are merely a matter of form or format;
- Do not change the relative standing or otherwise prejudice other offers;
- Do not change the meaning or scope of the RFP;
- Are trivial, negligible, or immaterial in nature;
- Do not reflect a material change in the work; or
- Do not constitute a substantial reservation against a requirement or provision;

In such cases the Proposer will be notified of the deficiency in the proposal and given an opportunity to correct the irregularity, defect or variation or HACSB may elect to waive the deficiency and accept the proposal.

This RFP does not commit HACSB to award a contract. HACSB reserves the right to reject any or all proposals if it is in the best interest of HACSB to do so. HACSB also reserves the right to terminate this RFP process at any time.

I. Clarification of Offers

In order to determine if a proposal is reasonably acceptable for award, communications by the Facilitator for the Evaluation Panel are permitted with a Proposer to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change to the proposal. The evaluation by the Facilitator may be adjusted as a result of a clarification under this section.

J. Public Records Act

All information submitted in the Proposal or in response to request for additional information is subject to disclosure under the provisions of the California Public Records Act (California Government Code section 6250, et seq.). Proposals may contain financial or other data that constitutes a trade secret. To protect such data from disclosure, Proposers should specifically identify the pages that contain confidential information by properly marking the applicable pages and inserting the following notice on the front of its response:

NOTICE

The data on pages _____ of this Proposal response, identified by an asterisk (*) or marked along the margin with a vertical line, contains information which are trade secrets. We request that such data be used only for the evaluation of our response but understand that disclosure will be limited to the extent that the HACSB determines is proper under federal, state, and local law.

The proprietary or confidential data shall be readily separable from the Proposal in order to facilitate eventual public inspection of the non-confidential portion of the Proposal.

HACSB assumes no responsibility for disclosure or use of unmarked data for any purpose. In the event disclosure of properly marked data is requested, the Proposer will be advised of the request and may expeditiously submit to the HACSB a detailed statement indicating the reasons it has for believing that the information is exempt from disclosure under federal, state, and local law. This statement will be used by the HACSB in making its determination as to whether disclosure is proper under federal, state or local law. The HACSB will exercise care in applying this confidentiality standard but will not be held liable for any damage or injury, which may result from any disclosure that may occur.

K. Disclosure of Criminal and Civil Proceedings

HACSB reserves the right to request the information described herein from the Proposer selected for contract award. Failure to provide the information may result in a disqualification from the selection

process and no award of contract to the Proposer. HACSB also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The selected Proposer also may be requested to provide information to clarify initial responses. Negative information provided or discovered may result in disqualification from the selection process and no award of contract.

The selected Proposer may be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the Proposer will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the selected Proposer may also be asked to disclose whether the firm, or any of its partners, principals, members, associates, or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Proposer will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to HACSB. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

L. Debarment and Suspension

Proposer certifies (using Exhibit D) that neither it nor its principals or subcontracts is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency as required by Executive Order 12549.

Further, Proposer affirms that it has no record of unsatisfactory performance with HACSB in the twenty-four (24) month period immediately preceding the date of issuance of this RFP.

M. Board and Staff Communications

Under no circumstances may any member of the HACSB or any staff member other than the contact specified in Section II – Paragraph A, be contacted during this RFP process, by any entity intending to submit a response to this RFP. Failure to comply with this request will result in disqualification.

N. Final Authority to Award

The final authority to award contracts as a result of this RFP may require approval by The Housing Authority's Board of Commissioners based on award amount.

O. Payment for Services

Payments for any and all invoices or other obligations are satisfied electronically through the Automated Clearing House (ACH) system. The Contractor will be required to authorize 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.

VI. SCOPE OF WORK

The selected firm will be expected to provide the following services:

- Work collaboratively with HACSB, its financial advisors, and the bond underwriter to design the optimal bond structure for the tax-exempt multifamily bond issue (“Permanent Bonds”);
- Prepare all board resolutions related to the bond issuance;
- Prepare key bond-related documents including the trust indenture, loan agreement, regulatory agreement;
- Prepare the official statement/offering memorandum and assist with all disclosure related to offering of the Permanent Bonds;
- Review and comment on all documents necessary and appropriate to the authorization, issuance, sale, and delivery of the Permanent Bonds;
- Deliver legal opinions regarding (a) the due and lawful authorization and issuance of the Permanent Bonds, (b) the exemption from federal and state taxes for those bonds issued on a tax-exempt basis, (c) exemption from or compliance with securities laws, (d) the sufficiency of the disclosure for those portions of the official statement prepared by bond/disclosure counsel or summarizing documents for which counsel is responsible, and (e) other legal matters typically addressed in connection with similar transactions;
- Participate in regular meetings and phone conferences regarding issuance of the Permanent Bonds;
- Assist with negotiation/coordination of the payoff for the construction-phase financing;
- Assist with closing of the bond transaction in a timely and efficient manner;
- Assist with legal/regulatory compliance, monitoring, and reporting with respect to the Permanent Bonds as necessary; and
- Provide any other legal services, advice, or opinions regarding the Permanent Bonds, as requested.

1. THE PROJECT

Located in Redlands, California, Valencia Grove II Apartments (“VGII” or the “Project”) is the second of three phases of new development intended to replace previously demolished public housing units on a one-for-one basis. The Project, which is currently in the final stages of construction, is owned by Valencia Grove II, LLC—of which HACSB is a 49% owner and Housing Partners Inc. (“HPI”), a 501(c)(3) community housing development organization, is a 51% owner. Because the Project does not utilize low-income housing tax credits, there is no tax credit investor involved in the ownership structure. Construction-phase financing consists of taxable variable-rate bonds, backed by direct pay and standby letters of credit, as well as gap financing from HACSB and HPI.

Following recent enhancements to the permanent financing strategy, HACSB is in the process of completing an operational conversion through the Restore Rebuild (formerly Faircloth-to-RAD) program, which will allow the Project to receive significant ongoing subsidy. In connection with that conversion, the Project will be acquired and owned by Redlands Valencia Grove II Associates, LLC, a limited liability company of which HACSB will be a 99% owner and HPI a 1% owner and managing member.

As HACSB recognizes the importance of maintaining access to the capital markets for its housing finance needs, the Authority recently worked with S&P Global Ratings (“S&P”) to obtain an issuer credit rating (“ICR”). On December 6, 2024, S&P assigned HACSB an initial ICR of ‘A+’ with a stable outlook.

Upon completion, the Project will provide 104 units of housing reserved for households earning no more than 80% of area median income as follows: 24 one-bedroom units, 51 two-bedroom units, 18 three-bedroom units, and 11 four-bedroom units. An additional two-bedroom unit will be reserved for a manager.

Dates of key Project milestones are as follows:

Milestone	Date
Financial Closing – Construction Bonds	December 2022
Construction Start	January 2023
Construction Completion	July 2025
100% Lease-Up	September 2025
Financial Closing – Permanent Bonds	October 2025
Expiration of Construction Letters of Credit	December 2026

2. FINANCING STRUCTURE

As noted in [Section VI. 1](#) above, the Project—which is currently under construction—was financed with taxable variable-rate demand multifamily housing revenue bonds issued by Valencia Grove II, LLC (the “Construction Bonds”). The payment of principal and interest (“P&I”) on the Construction Bonds is secured by a pledge of revenues under a trust indenture, including amounts drawn under an irrevocable direct-pay letter of credit (“LOC”) issued by Cathay Bank, a California banking corporation, and under an irrevocable standby LOC issued by Federal Home Loan Bank of San Francisco. Both LOC expire on December 7, 2026.

The Authority intends to issue approximately \$[28] million of Permanent Bonds following 100% lease-up, which is expected to occur in September 2025. The Authority expects the Permanent Bonds will be either governmental purpose or 501(c)(3) tax-exempt bonds and that the P&I on those bonds will be paid primarily from revenues of the Project. In connection with closing of the Permanent Bonds, the Authority expects to not only pay off the Construction Bonds but also to pay down or pay off a portion of outstanding gap financing from HACSB. See [Attachment A](#) for additional details on the permanent financing plan.

In the interest of further reducing the borrowing costs associated with the Permanent Bonds, HACSB is also prepared to pledge all general revenues of the Authority, subject to the parity lien of other obligations, toward repayment of such P&I. In this case, “general revenues” means all revenues of the Authority from any source, but only to the extent that those revenues are available to pay debt service on the bonds and are not pledged or restricted by law, regulation, contract, covenant, resolution, deed of trust, or otherwise (including restrictions related to funds made available to the Authority under the U.S. Housing Act of 1937) solely to another particular purpose.

3. CONTENT OF PROPOSAL

All proposals must include the following:

- A. Title Page** (1 page). Include a title page identifying: (1) this request; (2) the firm name; (3) the name, title, address, telephone number, and e-mail address of the contact person for the proposal; and (4) the date of the proposal.
- B. Background and General Information** (no more than 6 pages). Briefly describe your firm, including but not limited to the following—
 - 1. General Firm Information.** Provide a description of your firm that includes:
 - a. The location of the firm's office(s);
 - b. The length of time your firm has been in business;
 - c. The number of partners and associates; and
 - d. A discussion of any substantive changes in the firm's ownership, management, or structure—particularly in the housing group or any other area of its public finance practice—in the past 3 years.
 - 2. Investigations and Proceedings.** Indicate whether your firm has knowledge of any active investigations or criminal proceedings by the Internal Revenue Service, the Securities and Exchange Commission, or any other state or federal agency with regard to your members or practices. If so, provide a brief description of such investigation(s) or proceeding(s) and the name and phone number of a person at the firm whom HACSB might contact to obtain more information. Identify any administrative proceeding, investigation, or litigation regarding your firm and/or any member of the firm which is ongoing, or which has been settled or otherwise concluded during the past 2 years.
 - 3. Conflicts of Interest.** Identify any existing or potential conflicts of interest, or any relationships that might be considered a conflict of interest, that may affect or involve transaction(s) for HACSB, including but not limited to conflicts involving entities providing professional services to HACSB. Include descriptions of any work you have performed for the County of San Bernardino, HACSB, HPI, or Valencia Grove II, LLC. Indicate whether this activity is ongoing, and if not, when the prior assignment was concluded.
- C. Specialized Experience and Resources** (no more than 7 pages, excluding attachments for list of issues and resumes). Discuss your firm's experience and resources as follows:
 - 1. Housing Group.** Describe your firm's housing group, including the number of partners and associates in the housing bond practice overall, and specifically the multifamily bond practice.
 - 2. Federal Tax Practice.** Describe your firm's experience with federal tax law related to tax-exempt multifamily mortgage revenue bonds. Include answers to the following questions:
 - a. Has your firm ever represented a housing bond issuer on a random audit by the IRS? What was the outcome?
 - b. Has a federal tax opinion delivered by your firm been invalidated or overturned during the past ten years?
 - c. Has the firm or any client of the firm entered into any closing or settlement agreements, or similar arrangements, in connection with any federal tax opinions delivered by the firm during the past ten years?

- 3. Multifamily Bond Issues.** List all tax-exempt multifamily bond issues for which the firm has acted as bond counsel and/or disclosure counsel since January 1, 2020. Note the issuer, type of issue, dollar amount, and issuance date of each issue and whether the firm acted as disclosure counsel, bond counsel, or both. Also, for each of these issues, note whether the issue involved (a) governmental purpose bonds, (b) 501(c)(3) bonds, or (c) a general revenue pledge like the one described in **§3** above.
 - 4. PHA's and New Issuers.** Describe your firm's historical experience working with public housing authorities and/or other local issuers of multifamily housing bonds, particularly in California, including experience working with new issuers.
 - 5. References.** Provide at least 3 references from local agencies for your work as bond and/or disclosure counsel on multifamily projects, particularly for housing authorities and other local issuers in California. Such references should be for the same professionals who would be assigned to HACSB. Include the name of the agency and the name, title, phone number, and email address of the contact person.
 - 6. Staffing.** Identify the partners and associates who will support HACSB (including tax attorneys), noting office location, phone number, and email address. Provide resumes for the relevant attorneys and identify their responsibilities in supporting HACSB.
 - 7. Other Information.** Discuss any topics not covered in this RFP that you would like to bring to the attention of HACSB.
- D. Fees** (1 page). Describe your proposed fee structure. Indicate whether your proposal is for a fixed-fee, or for hourly billing with or without a cap. For hourly billing proposals, please include the hourly rates of your team members and an estimate of your total fees assuming a relatively smooth transaction, as well as your estimate of fees HACSB should expect if the transaction involves complexity beyond that which is typical for similar transactions. Also indicate whether any retainer or initial deposit is required, or if all fees will be collected at financial closing.

4. FORM OF PROPOSAL

Response to this RFP must be submitted via the PlanetBids website. Click on the link to access the bid documents and details: [PlanetBids](#)

Proposals must be compiled into searchable PDFs with section/subsection lettering, numbering, and titles that match the proposal requirements in [Section VI. 4](#) above. Respondents should endeavor to limit the length of their responses to 15 pages, generally adhering to the page limits described in [Section VI. 4](#). This RFP is designed to elicit all information considered essential to evaluating each proposal. There is no intent to limit the content of the responses. Respondents may include such additional information as may be appropriate but should not exclude any information required in [Section VI. 4](#).

Additionally, each proposal must:

- Be presented in an 8.5" x 11" format, either vertical or horizontal;
- Be typed with font size no smaller than 10 points;
- Be submitted as a single file in .pdf format; and
- Include page numbers.

SELECTION CRITERIA – UPDATE AS NEEDED

Proposals will be evaluated based on the following selection criteria according to the relative weights listed below:

- A. Depth and breadth of relevant experience with tax-exempt multifamily housing bond transactions, particularly those involving (a) governmental purpose bonds, (b) 501(c)(3) bonds, and (c) a general revenue pledge like the one described in [Section VI. 3](#) above (40 points);
- B. Depth and breadth of relevant experience with public housing authorities and/or other local issuers of multifamily housing bonds, particularly new and California issuers (20 points);
- C. Capacity to provide services in a timely, efficient, and professional manner, including sufficiency of staffing levels and the experience of assigned staff (20 points); and
- D. Cost (fees), as scored based on the following formula below (20 points).

$$\text{Score} = \frac{\text{Lowest Bidder's price}}{\text{Bidder's price}} \times 20$$

In addition to these criteria, HACSB may determine—for example, based on discussions with references or HACSB's review of respondent's answers to questions regarding investigations, proceedings, or conflicts of interest—that a respondent is ineligible for selection, regardless of overall point score.

INFORMATION REQUESTED OF PROPOSERS

- A. **Organizational and Personnel Background**
Provide an overview of your company, emphasizing its qualifications and major organizational strengths.
- B. **Experience**
Discuss your experience, in serving as a provider of Bond/Disclosure Counsel Services – Tax Exempt.
- C. **Miscellaneous Discussion Questions**
 - 1. Identify the specific individuals who would be assigned to work with the HACSB and specify which person would be the primary contact person with the HACSB. Please include their level of expertise in the services and certifications held by staff.
 - 2. Provide an estimate of time that will be required to begin Bond/Disclosure Counsel Services – Tax Exempt.
- D. **Price**
Provide your cost as listed in the Bid Proposal (Exhibit B) form for the rendering of the services and clearly specify if any additional expenses will be charged to the HACSB in connection with this proposal.

E. Affirmative Action

The HACSB requires that each respondent be an Equal Opportunity Employer:
State that the respondent complies fully with all government regulations regarding nondiscriminatory employment practices.

VII. COMPANY QUALIFICATIONS

Proposals shall be considered from responsible organizations or individuals, licensed to do business in the State of California, and engaged in the performance of Bond/Disclosure Counsel Services – Tax Exempt. Proposals must include information on competency in performing comparable Bond/Disclosure Counsel Services – Tax Exempt, demonstration of acceptable financial resources, and personnel staffing. The vendor shall furnish detailed information on references, as well as background and experience with projects of a similar type and scope to include as a minimum:

- A. Brief history of the company
- B. A listing of five (5) references where similar services were performed. The client reference shall include the name of organization, contact person, address, and telephone numbers.
- C. Vendor shall describe their understanding of the project scope, their proposed approach to performing the services, and submit a proposed schedule. Offerors shall include information on experience with similar projects. Offerors shall describe how their organization can meet the requirements of this RFP and shall include the following:
 - The number of years the Offeror has provided these services; *and*
 - The number of clients and geographic locations that the Offeror currently provides services for.
 - Provide the names and titles of the key management personnel directly involved with supervising the services rendered under this Contract along with their resumes.
 - Provide the name and resume of the Offeror's Contractor Representative who, if the Offeror is selected for award, would be responsible for the daily oversight of the Contract from the Contractor's perspective.

VIII. RFP REQUIREMENTS AND CONDITIONS

Minimum Requirements

This RFP sets forth the minimum requirements that all submissions shall meet. Failure to submit proposals in accordance with this request may render the proposal unacceptable.

Submission Requirements

Forms included within this Request for Proposal must be included with proposal, in addition to any and all included documents for review and consideration. Failure to submit mandatory forms will result in rejection of the proposal. The required documents are as follows:

1. Exhibit A – Contact Information Form
2. Exhibit B – Proposal Form
3. Exhibit C – Reference Form
4. Exhibit D – Certification Regarding Debarment or Suspension
5. Exhibit F – HUD Form 5369B
6. Exhibit G – HUD Form 5369C
7. Attachment A – Financing Summary

Collusion

Proposer, by submitting a proposal, hereby certifies that no officer, agent, or employee of the HACSB has a pecuniary interest in this Proposal; that the Proposal is made in good faith without fraud, collusion, or connection of any kind with any other proposer; and that the proposer is competing solely in its own behalf without connection with, or obligation to any undisclosed person or company.

Disputes

In case of any doubt or differences of opinions as to the participation sought hereunder, or the interpretation of the provisions of the RFP, the dispute process shall apply.

Contractors may appeal the recommended award, provided the appeal is in writing, contains the RFP number, is delivered to the address listed in Section II – Paragraph A of this RFP, and is submitted according to the time requirements listed below. The following shall apply to protests (unless otherwise specified, this section will use the term “protest” to also include disputes and appeals):

Solicitation: Contractors may protest a solicitation issued by HACSB. It must be received by the Procurement and Contracts Supervisor before the bid or proposal submittal deadline, or it will not be considered.

Award RFP: Any protest against the award of a contract based on an RFP must be received by the Procurement and Contracts Supervisor no later than two full business days after the bid submittal deadline, or before award of the contract, whichever is earlier, or the protest will not be considered.

Award RFP/RFQ: Any protest against the award of a contract based on an RFP or RFQ or appeal of a decision by HACSB to reject a proposal, must be received by the Procurement and Contracts Supervisor within three business days after notification to an unsuccessful proposer that they were not selected, or the protest will not be considered.

Rejection of Bid: Any protest of a decision by HACSB to reject a bid submitted in response to an RFP must be received by the Procurement and Contracts Supervisor within two business days after being notified in writing of HACSB’s decision, or the appeal will not be considered.

A written response will be directed to the appealing Contractor within fourteen (14) calendar days of receipt of the appeal, advising of the decision regarding the appeal and the basis for the decision. The decision of the HACSB shall be final and binding upon all parties.

IX. INSURANCE REQUIREMENTS

- A. **Proof of Insurance** shall not be terminated or expire without thirty (30) days written notice and are required to be maintained in force until completion of the contract. The Contractor shall require all subcontractors used in the performance of this contract to name HACSB as an additional insured. Following are the standard types and minimum amounts.

- ☐ **General Liability:** \$2,000,000 per occurrence and \$3,000,000 aggregate; *HACSB Additional Insured.*
- ☒ **Commercial General Liability:** limits of coverage for bodily injury and property damage liability of not less than \$2,000,000 per occurrence and not less than \$3,000,000 general aggregate; *HACSB named Additional Insured* on an attached endorsement.
- ☒ **Comprehensive Automobile Liability:** \$1,000,000; combined single limit bodily and property damage liability per occurrence and aggregate; *HACSB named Additional Insured.*
- ☒ **Errors and Omissions Liability:** \$1,000,000; combined single limit bodily and property damage liability per occurrence and \$3,000,000 aggregate **OR,**
- ☐ **Professional Liability:** \$1,000,000; per occurrence and aggregate.
- ☒ **Workers' Compensation:** \$1,000,000
- ☐ **Self-Insurance Program**
- ☐ **Environmental Liability**
- ☐ **Owner's Liability**
- ☐ **Fire Insurance with Extended Coverage**
- ☐ **Crime/Fidelity Insurance:** \$250,000 Sufficient to cover all agents and employees employed by Property Manager;
- ☐ **Excess/Umbrella Liability:** \$5,000,000; *HACSB named Additional Insured.*

- B. Failure to provide proof of insurance or failure to maintain insurance as required in this bid, or by law; are grounds for immediate termination of the contract. In addition, the awarded bidder should be liable for all re-procurement costs and any other remedies under law.

C. Indemnification and Insurance Requirements

1. Indemnification

The Contractor agrees to indemnify, defend and hold harmless HACSB and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by HACSB on account of any claim therefore, except where such indemnification is prohibited by law.

2. Additional Named Insured

All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability policies, shall contain additional endorsements naming HACSB and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

3. Waiver of Subrogation Rights

The Contractor shall require the carriers of the above required coverages to waive all rights of subrogation against HACSB, its officers, employees, agents, volunteers, Contractors and subcontractors.

4. Policies Primary and Non-Contributory

All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by HACSB.

5. Proof of Coverage

The Contractor shall immediately furnish certificates of insurance to HACSB Procurement Department administering the Contract evidencing the insurance coverage, including the endorsements above required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department. Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, the Contractor shall furnish certified copies of the policies and all endorsements.

6. Insurance Review

The above insurance requirements are subject to periodic review by HACSB. HACSB's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of HACSB. In addition, if the Risk Manager determines that heretofore, unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against HACSB, inflation, or any other item reasonably related to HACSB's risk. Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Contractor agrees to execute any such amendment within thirty (30) days of receipt.

X. CONTRACT CONDITIONS

Americans with Disabilities Act

Proposer must comply with all applicable requirements of federal and state civil rights law and rehabilitation statutes.

Law of the State of California

The resulting contract will be entered into within the State of California and the law of said state, whether substantive or procedural, shall apply to the contract, and all statutory, charter and ordinance provisions that is applicable to public contracts within the County of San Bernardino and the State of California shall be followed with respect to the contract.

Contract Terms and Final Selection

The selected company will be expected to sign the HACSB's Contract Agreement, which will specify the terms of service. If the selected applicant and the HACSB cannot come to terms with respect to the contract, the HACSB reserves the right to select the next most qualified applicant or to terminate this RFP and to re-issue a new RFP if no Proposer is acceptable to the HACSB.

Electronic Signatures

The parties of an agreement resulting from the award of this RFP shall be entitled to sign and transmit an electronic signature (whether by facsimile, PDF or other email transmission).

EXHIBIT A – Contract Information Form

To: *Angie Lardapide, Procurement*
(909) 890-0644 or
Email: procurement@hacsb.com

This document is to acknowledge that we are in receipt of RFP #PC1423 FOR BOND/DISCLOSURE COUNSEL SERVICES rebid and have noted our intention to bid.

Vendor Name: _____

Address: _____

Contact/Title: _____

Phone: _____

Fax: _____

Email: _____

I PLAN TO SUBMIT A BID.

- ☐ Yes, I will be submitting a bid.
☐ Maybe, I need to research and get more information (contact HACSB-information listed above)

NO BID. Indicate *any* of the following. We:

- ☐ Do NOT desire to be retained on the vendor list.
☐ Desire to be retained on the vendor list, but decline to bid based on the following:
☐ Cannot comply with specifications/scope of work, Explain: _____

☐ Cannot meet delivery requirements, Explain: _____

☐ Do not regularly provide this type of product/service
☐ Other, Explain: _____
☐ Please update my information as listed above.

HOW YOU FOUND OUT ABOUT THE BID. Indicate *any* of the following. We:

- ☐ Checked the agency website
☐ Received notice by fax or e-mail
☐ Newspaper Ad, please list paper: _____
☐ Trade Publication, please list: _____
☐ Plan Room, please list: _____
☐ Other, Explain: _____

EXHIBIT B - PROPOSAL FORM

Vendor Name: _____

To: The Housing Authority of the County of San Bernardino
715 E. Brier Drive
San Bernardino, CA 92408

****Provide and attach pricing as described in this RFP document****

1. The undersigned, having familiarized themselves with the local conditions affecting the cost of the work, and with the Specifications, if any thereto, hereby proposes to furnish all labor, materials, equipment and services required to provide such service(s) described in the Scope of Work in accordance therewith.
2. In submitting this proposal, it is understood that the right is reserved by the Housing Authority of the County of San Bernardino to reject any and all proposals. If written notice of the acceptance of this proposal is mailed, telegraphed, faxed, or delivered to the undersigned within thirty (30) days after the opening thereof, or at any time thereafter before this proposal is withdrawn, the undersigned agrees to a contract/agreement in the prescribed form and furnish any required insurance requirements within ten (10) days after the contract is presented to him for signature.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Date _____, 20____

(Company Name)

(Official Address)

(By)

(Title)

(Contractors State License Number)

(Telephone Number)

EXHIBIT C – REFERENCES

CURRENT CLIENT REFERENCES (REQUIRED) – RFP#PC1423 BOND/DISCLOSURE COUNSEL SERVICES

Submit this form with the BID, failure to do so is grounds for disqualification.

Company	
Address	
City, ST, Zip	
Fax/Phone/Email	
Contact Name/Title	
Type of Engagement	
<hr/>	
Company	
Address	
City, ST, Zip	
Fax/Phone/Email	
Contact Name/Title	
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Company	
Address	
City, ST, Zip	
Fax/Phone/Email	
Contact Name/Title	
Type of Engagement	
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Bidder's Company Name	
Legal Structure (corp./partner/proprietor)	
Principle Office Address	
City, ST, Zip	
Phone Number & Fax Numbers	
Email	
Federal Employer Identification Number	
Title of Person Authorized to Sign	
Print Name of Person Authorized to Sign	
Date Signed and Authorized Signature	

EXHIBIT D - CERTIFICATION REGARDING DEBARMENT OR SUSPENSION

In compliance with contracts and grants agreements applicable under the U.S. Federal Awards Program, the following certification is required by all Proposers submitting a response to this RFP:

1. The Proposer certifies, to the best of its knowledge and belief, that neither the Proposer nor its Principals are suspended, debarred, proposed for debarment, or declared ineligible for the award of contracts from the United States federal government procurement or non-procurement programs, or are listed in the *List of Parties Excluded from Federal Procurement and Non-procurement Programs* issued by the General Services Administration.
2. "Principals," for the purposes of this certification, means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager, plant manager, head of a subsidiary, division, or business segment, and similar positions).
3. The Proposer shall provide immediate written notice to the HACSB Procurement and Contracts Supervisor if, at any time prior to award, the Proposer learns that this certification was erroneous when submitted or has become erroneous by reason of changes circumstances.
4. This certification is a material representation of fact upon which reliance will be placed when making the award. If it is later determined that the Proposer rendered an erroneous certification, in addition to other remedies available to the HACSB government, the HACSB Procurement and Contracts Supervisor may terminate the contract resulting from this solicitation for default.
5. Proposer affirms that it has no record of recent unsatisfactory performance with HACSB, during the past twenty-four (24) months at a minimum.

**Printed Name of
Representative:**

Title:

Signature:

Date:

EXHIBIT E – STATE OF CALIFORNIA LABOR CODE



State of California LABOR CODE Section 1771.1

(a) A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

(b) Notice of the requirement described in subdivision (a) shall be included in all bid invitations and public works contracts, and a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor's current registration to perform public work pursuant to Section 1725.5.

(c) An inadvertent error in listing a subcontractor who is not registered pursuant to Section 1725.5 in a bid proposal shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive, provided that any of the following apply:

(1) The subcontractor is registered prior to the bid opening.

(2) Within 24 hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee specified in subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.

(3) The subcontractor is replaced by another registered subcontractor pursuant to Section 4107 of the Public Contract Code.

(d) Failure by a subcontractor to be registered to perform public work as required by subdivision (a) shall be grounds under Section 4107 of the Public Contract Code for the contractor, with the consent of the awarding authority, to substitute a subcontractor who is registered to perform public work pursuant to Section 1725.5 in place of the unregistered subcontractor.

(e) The department shall maintain on its Internet Web site a list of contractors who are currently registered to perform public work pursuant to Section 1725.5.

(f) A contract entered into with any contractor or subcontractor in violation of subdivision (a) shall be subject to cancellation, provided that a contract for public work shall not be unlawful, void, or voidable solely due to the failure of the awarding body, contractor, or any subcontractor to comply with the requirements of Section 1725.5 or this section.

(g) This section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work entered into on or after April 1, 2015.

(Added by Stats. 2014, Ch. 28, Sec. 63. (SB 854) Effective June 20, 2014.)

EXHIBIT F – HUD Form 5369 B

Document on Following Page

Instructions to Offerors Non-Construction

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



- 03291 -

1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date and the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show **the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.**

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

EXHIBIT G – HUD Form 5369 C

Document on Following Page

Certifications and Representations of Offerors

Non-Construction Contract

Public reporting burden for this collection of information is estimated to average 5 minutes 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.

This form includes clauses required by OMB's common rule on bidding/offering procedures, implemented by HUD in 24 CFR 85.36, and those requirements set forth in Executive Order 11625 for small, minority, women-owned businesses, and certifications for independent price determination, and conflict of interest. The form is required for nonconstruction contracts awarded by Housing Agencies (HAs). The form is used by bidders/offerors to certify to the HA's Contracting Officer for contract compliance. If the form were not used, HAs would be unable to enforce their contracts. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

1. Contingent Fee Representation and Agreement

(a) The bidder/offeror represents and certifies as part of its bid/offer that, except for full-time bona fide employees working solely for the bidder/offeror, the bidder/offeror:

(1) ☐ has, ☐ has not employed or retained any person or company to solicit or obtain this contract; and

(2) ☐ has, ☐ has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) If the answer to either (a)(1) or (a)(2) above is affirmative, the bidder/offeror shall make an immediate and full written disclosure to the PHA Contracting Officer.

(c) Any misrepresentation by the bidder/offeror shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

2. Small, Minority, Women-Owned Business Concern Representation

The bidder/offeror represents and certifies as part of its bid/offer that it:

(a) ☐ is, ☐ is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.

(b) ☐ is, ☐ is not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

(c) ☐ is, ☐ is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- | | |
|---|---|
| <input type="checkbox"/> Black Americans | <input type="checkbox"/> Asian Pacific Americans |
| <input type="checkbox"/> Hispanic Americans | <input type="checkbox"/> Asian Indian Americans |
| <input type="checkbox"/> Native Americans | <input type="checkbox"/> Hasidic Jewish Americans |

3. Certificate of Independent Price Determination

(a) The bidder/offeror certifies that—

(1) The prices in this bid/offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder/offeror or competitor relating to (i) those prices, (ii) the intention to submit a bid/offer, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this bid/offer have not been and will not be knowingly disclosed by the bidder/offeror, directly or indirectly, to any other bidder/offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the bidder/offeror to induce any other concern to submit or not to submit a bid/offer for the purpose of restricting competition.

(b) Each signature on the bid/offer is considered to be a certification by the signatory that the signatory:

(1) Is the person in the bidder/offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above (insert full name of person(s) in the bidder/offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder/offeror's organization);

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

- (c) If the bidder/offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its bid/offer a signed statement setting forth in detail the circumstances of the disclosure.

4. Organizational Conflicts of Interest Certification

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under a proposed contract and a prospective contractor's organizational, financial, contractual or other interest are such that:

- (i) Award of the contract may result in an unfair competitive advantage;
- (ii) The Contractor's objectivity in performing the contract work may be impaired; or
- (iii) That the Contractor has disclosed all relevant information and requested the HA to make a determination with respect to this Contract.

- (b) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the HA which shall include a description of the action which the Contractor has taken or intends to eliminate or neutralize the conflict. The HA may, however, terminate the Contract for the convenience of HA if it would be in the best interest of HA.

- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this Contract and intentionally did not disclose the conflict to the HA, the HA may terminate the Contract for default.

- (d) The Contractor shall require a disclosure or representation from subcontractors and consultants who may be in a position to influence the advice or assistance rendered to the HA and shall include any necessary provisions to eliminate or neutralize conflicts of interest in consultant agreements or subcontracts involving performance or work under this Contract.

5. Authorized Negotiators (RFPs only)

The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals: (list names, titles, and telephone numbers of the authorized negotiators):

6. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement, as described in the clause in this solicitation titled "Organizational Conflict of Interest."

7. Offeror's Signature

The offeror hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

Signature & Date:

Typed or Printed Name:

Title:

Attachment A – Financing Summary

Document on Following Page

FINANCING SUMMARY		
SOURCES OF FUNDS	Construction	Permanent
Land Lease + Permit / Entitlement Value	1,030,000	1,030,000
Permanent Bonds	0	28,000,000
HACSB Gap Loan	12,000,000	5,147,521
Construction Bonds (LOC-backed VRDOs)	21,672,088	
HPI Gap Loan	2,000,000	2,000,000
Vist Del Sol Refinance	2,000,000	2,000,000
Projected Escrow Savings	0	1,800,000
Deferred Costs	1,275,433	0
Total	39,977,521	39,977,521

USES OF FUNDS	Construction	Permanent
Land	1,030,000	1,030,000
Utility Expense	130,000	130,000
Hard Costs - New Construction	27,929,352	27,929,352
General Requirements	3,844,567	3,844,567
Contractor Profit and Overhead	1,955,055	977,528
General Conditions	1,955,055	977,528
Architectural Fees	150,000	150,000
Environmental Report	390,592	390,592
Builder's Risk & Insurance	341,658	341,658
Other	0	91,530
Accounting and Auditing	0	953,150
Title and Recording	0	17,718
Construction Loan Fees	106,346	106,346
Interest (Construction Period)	0	206,943
Interest (Post-Construction)	0	472,462
Lender Legal	110,000	110,000
Financing Costs	0	1,447,085
Application Fee	106,346	106,346
Legal and Other	341,049	341,049
Soft Cost Contingency	272,247	272,247
Marketing and Leaseup	39,820	39,820
Operating Reserve	0	41,600
Deferred Costs	1,275,433	0
Total	39,977,521	39,977,521

INCOME PROJECTIONS								
# Units	# Bedrooms	AMI	Monthly Tenant Rent	Monthly Subsidy	Monthly Income	Total Annual Tenant Rent	Total Annual Subsidy	Total Annual Income
11	1	80%	\$1,160	\$476	\$1,636	\$153,120	\$62,832	\$215,952
13	1	50%	\$771	\$865	\$1,636	\$120,276	\$134,940	\$255,216
50	2	80%	\$1,358	\$668	\$2,026	\$814,800	\$400,800	\$1,215,600
18	3	80%	\$1,551	\$1,155	\$2,706	\$335,016	\$249,480	\$584,496
11	4	80%	\$1,695	\$1,513	\$3,208	\$223,740	\$199,716	\$423,456
103						\$1,646,952	\$1,047,768	\$2,694,720

PERM DEBT	
Revenue	2,694,720
Vacancy	(161,683)
Net Revenue	2,533,037
Expenses	(730,983)
NOI	1,802,054
DSCR, Interest-Only (x)	1.10
Available for Senior Debt Service	1,638,231
Less Principal Repayment (Year 1)	(80,000)
Net Available for Debt Service	1,558,231
DSCR, All-In (x)	1.05
Rate	5.55%
Term	30
Perm Debt	\$28,000,000

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Year 30
Operating Income								
Tenant Rent	1,646,952	1,679,891	1,713,489	1,747,759	1,782,714	1,968,260	2,399,298	2,924,731
Public Housing Operating Subsidy	1,047,768	1,068,723	1,090,098	1,111,900	1,134,138	1,252,180	1,526,400	1,860,673
Total Public Housing Rental Income	2,694,720	2,748,614	2,803,587	2,859,658	2,916,852	3,220,440	3,925,698	4,785,404
Gross Rental Income	2,694,720	2,748,614	2,803,587	2,859,658	2,916,852	3,220,440	3,925,698	4,785,404
Other Income (laundry, interest, etc.)	0	0	0	0	0	0	0	0
Gross Income	2,694,720	2,748,614	2,803,587	2,859,658	2,916,852	3,220,440	3,925,698	4,785,404
Less Vacancy Allowance	161,683	164,917	168,215	171,580	175,011	193,226	235,542	287,124
Effective Gross Income	2,533,037	2,583,698	2,635,371	2,688,079	2,741,840	3,027,213	3,690,156	4,498,280
Operating Expenses								
Administration/Salaries	236,076	243,158	250,453	257,967	265,706	308,026	413,961	556,329
Property Management Fee	151,982	155,022	158,122	161,285	164,510	181,633	221,409	269,897
Office Expenses	82,400	84,872	87,418	90,041	92,742	107,513	144,489	194,181
Insurance	51,500	53,045	54,636	56,275	57,964	67,196	90,306	121,363
Accounting	0	0	0	0	0	0	0	0
Maintenance	80,443	82,856	85,342	87,902	90,539	104,960	141,057	189,569
Utilities	81,782	84,235	86,763	89,365	92,046	106,707	143,405	192,725
Security	0	0	0	0	0	0	0	0
Real Estate Taxes/PILOT	0	0	0	0	0	0	0	0
Supportive Services	0	0	0	0	0	0	0	0
Replacement Reserve	46,800	48,204	49,650	51,140	52,674	61,063	82,064	110,287
Total Operating Expenses	730,983	751,393	772,384	793,975	816,181	937,098	1,236,691	1,634,351
Net Operating Income	1,802,054	1,832,305	1,862,987	1,894,104	1,925,659	2,090,116	2,453,465	2,863,929
Debt Service								
Loan 1: Bond Issuance	1,638,231	1,638,231	1,638,231	1,638,231	1,638,231	1,638,231	1,638,231	1,638,231
Voluntary: Bond Principal Payoff*	80,000	115,171	144,532	174,309	204,505	361,880	709,583	1,102,371
Total Debt Service	1,718,231	1,753,402	1,782,763	1,812,540	1,842,736	2,000,111	2,347,814	2,740,602
Debt Service Coverage Ratio, Interest-Only (x)	1.10	1.12	1.14	1.16	1.18	1.28	1.50	1.75
Debt Coverage Ratio w/ Principal Repayment (x)	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Cash Flow Available for Distribution**								
Distribution: HPI Loan(s)	41,911	39,452	40,112	40,782	41,462	45,002	52,826	61,664
Distribution: HACSB Loan(s)	41,911	39,452	40,112	40,782	41,462	45,002	52,826	61,664

*Voluntary Principal Payoff is sized to maintain 1.05x debt cover ratio in each year



REQUEST FOR PROPOSAL – PC1418

TAX-EXEMPT BONDS PROFESSIONAL BANKING SERVICES TO PROVIDE PERMANENT FINANCING FOR VALENCIA GROVE II APARTMENTS

Housing Authority of the County of San Bernardino
715 E. Brier Drive
San Bernardino, CA 92408
April 2025

I. INTRODUCTION

Our core work of the Housing Authority of the County of San Bernardino (HACSB) is to administer rental assistance programs to prevent homelessness among low-income households. As the largest provider of affordable housing in San Bernardino County, HACSB proudly assists more than 27,000 people, most of whom are seniors, individuals with disabilities, veterans, and children. Since 1941, HACSB has helped low-income families attain safe and stable housing through a variety of rental assistance programs funded by the U.S. Department of Housing and Urban Development (HUD). More than 11,000 families are served through voucher programs, which enable customers to lease housing in the private rental market, or through affordable housing communities owned by HACSB. HACSB's largest program, the Housing Choice Voucher program, is America's largest homelessness prevention program. The affordable rental housing programs HACSB administers provide a critical safety net for households in San Bernardino County.

Achieving safe and stable housing is only one step on the path toward self-sufficiency. To support our customers' needs beyond housing, HACSB has built and leveraged community partnerships that provide supportive services and opportunities. These partners provide a variety of services such as family/individual case management and counseling, career training and job placement, homeownership assistance, educational scholarships, and more. These services create a meaningful difference in the lives of families we serve.

In 2008, Congress designated HACSB as a Moving to Work (MTW) public housing agency. MTW is a national demonstration program for housing authorities created by Congress in 1996. Contrary to its name, the Moving to Work demonstration is not a work requirement program. Instead, the intent of the MTW demonstration is to provide policy and regulatory flexibility to housing agencies to design and test affordable housing strategies and related policies. This designation allows HACSB to waive some HUD requirements to target the statutory objectives of the MTW Demonstration: help clients achieve economic independence, ensure freedom of housing choice, and save taxpayer dollars through efficient work.

The demand for affordable housing continues to increase, and the limited affordable housing supply is not enough to house the thousands of families in need. Over the years, HACSB has expanded its housing stock to help meet the county's growing needs through acquisition, development, and redevelopment/expansion of our properties.

We value our vendors and contractors as partners in our mission to empower all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

II. PURPOSE

The purpose of this Request for Proposals is to solicit responses from qualified companies to furnish services to the HACSB as identified in the "Scope of Work" of this request.

HACSB was organized in 1941, under the U.S. Housing Act of 1937. HACSB has a governing Board of Commissioners, which are appointed by the County's Board of Supervisors. The seven commissioners serve this public agency and act as its Board of Commissioners. These individuals give generously of their time in an effort to provide decent and affordable housing to low-income families and seniors within the County of San Bernardino. The Executive Director appointed by the Board is responsible for managing the daily operations of the agency and overseeing a staff of approximately 130 employees. The annual budget for the Authority is approximately \$250 million.

The majority of HACSB's work is to provide rental assistance to low-income families either by housing families in the 2,204 units HACSB owns and manages or by providing subsidized housing assistance to a landlord for renting their housing unit to 10,798 assisted families. HACSB provides housing assistance based on the number of rental assistance vouchers and other affordable housing units for which we are authorized and funded through the U.S. Department of Housing and Urban Development (HUD).

A. Contact Information

This RFP is being issued, as will any addenda by the HACSB. The contact person for the HACSB is:

Angie Lardapide, Procurement
715 E. Brier Drive
San Bernardino, CA 92408-2841
(909) 890-0644
(909) 915-1831 - FAX
procurement@hacsb.com

Proposals and questions will not be accepted by e-mail or facsimile. All proposals must be completed and uploaded into the PlanetBids website or by paper response.

III. Contract Term

The Contract period will be for a two (2) year period beginning approximately July/August 2025 through July/August 2027, with three single or multiple year options to extend the contract until no later than July/August 2030, or until such time as terminated per the terms of the agreement or unless for any reason funds which have been appropriated for the provision of these services are no longer available.

The initial engagement will be for a two (2) year period. In addition, HACSB shall have the option to extend the engagement for up to three (3) additional years, exercised as single or multiple years, at the fee in the original proposal. The optional years shall be exercised by a written amendment executed by each party with Board of Commissioners approval on behalf of HACSB for additional funding on option years if needed.

IV. Proposal Timeline

Release of RFP	April 1, 2025
Question Due	April 10, 2025 @ 2PM PST
Answers to Questions	April 17, 2025
Proposals Due	May 1, 2025 @ 2PM PST
Evaluation Process	May 2025
Presentations	May 2025 (if applicable)
Award of Contract	July/August 2025

HACSB may insert elective choices such as site visits, oral interviews, presentations, demonstrations, shortlist, best and final offers, etc.

V. Proposal Conditions

A. Authorized Signatures

All proposals must be signed by an individual authorized to bind the Proposer to the provisions of the RFP.

B. Term of Offer

Proposals shall remain open, valid and subject to acceptance anytime within nine (9) months after the proposal opening.

C. Questions

Proposers may submit questions regarding this RFP via PlanetBids by the date stated in Section IV – Proposed Timeline. All questions, without identifying the submitting company, will be compiled with the appropriate answers and issued as an addendum to the RFP and posted on PlanetBids.

D. Required Review

Proposers should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and objectionable material must be made in writing and received by the RFP contact at least ten (10) days before the proposal opening. This will allow issuance of any necessary addendum. It will also help prevent the opening of a defective solicitation and exposure of proposals upon which award could not be made. Protests based on any omission or error, in the content of this RFP, may be disallowed if not brought to the written attention of the RFP Contact in Section II, Paragraph A at least five days before the Deadline for Proposals.

E. Incurred Costs

HACSB is not obligated to pay any costs incurred by Proposer in the preparation of a proposal in response to this RFP. Proposers agree that all costs incurred in developing a proposal are the Proposer's responsibility.

F. Amendments/Addenda to RFP

HACSB reserves the right to issue addenda or amendments to this RFP if HACSB considers that changes are necessary or additional information is needed.

Changes to a proposal or withdrawal of proposals will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline.

G. Best Value Evaluation

As established in this solicitation, HACSB realizes that criteria other than price are important and will award contract(s) based on the proposal that best meets the needs of HACSB. The optimal combination of quality, price, and various qualitative elements of required services will provide HACSB the greatest or best value for its money.

H. Right of Rejection

Offers must comply with all the terms of the RFP, and all applicable local, state, and federal laws, codes, and regulations. HACSB may reject as non-responsive any proposal that does not comply with all the material and substantial terms, conditions, and performance requirements of the RFP.

Proposers may not qualify the proposal nor restrict the rights of HACSB. If Proposer does so, the proposal may be determined to be a non-responsive counteroffer and the proposal may be rejected.

No proposal shall be rejected, however, if it contains a minor irregularity, defect or variation and if the irregularity, defect or variation is considered by HACSB to be immaterial or inconsequential, HACSB may choose to accept the proposal.

Minor informalities may be waived by the Procurement and Contracts Supervisor when they:

- Do not affect responsiveness;
- Are merely a matter of form or format;
- Do not change the relative standing or otherwise prejudice other offers;
- Do not change the meaning or scope of the RFP;
- Are trivial, negligible, or immaterial in nature;
- Do not reflect a material change in the work; or
- Do not constitute a substantial reservation against a requirement or provision;

In such cases, the Proposer will be notified of the deficiency in the proposal and given an opportunity to correct the irregularity, defect or variation or HACSB may elect to waive the deficiency and accept the proposal.

This RFP does not commit HACSB to award a contract. HACSB reserves the right to reject any or all proposals if it is in the best interest of HACSB to do so. HACSB also reserves the right to terminate this RFP process at any time.

I. Clarification of Offers

In order to determine if a proposal is reasonably acceptable for award, communications by the Facilitator for the Evaluation Panel are permitted with a Proposer to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change to the proposal. The evaluation by the Facilitator may be adjusted as a result of a clarification under this section.

J. Public Records Act

All information submitted in the Proposal or in response to request for additional information is subject to disclosure under the provisions of the California Public Records Act (California Government Code section 6250, et seq.). Proposals may contain financial or other data that constitutes a trade secret. To protect such data from disclosure, Proposers should specifically identify the pages that contain confidential information by properly marking the applicable pages and inserting the following notice on the front of its response:

NOTICE

The data on pages _____ of this Proposal response, identified by an asterisk (*) or marked along the margin with a vertical line, contains information which are trade secrets. We request that such data be used only for the evaluation of our response but understand that disclosure will be limited to the extent that the HACSB determines is proper under federal, state, and local law.

The proprietary or confidential data shall be readily separable from the Proposal in order to facilitate eventual public inspection of the non-confidential portion of the Proposal.

HACSB assumes no responsibility for disclosure or use of unmarked data for any purpose. In the event disclosure of properly marked data is requested, the Proposer will be advised of the request and may expeditiously submit to the HACSB a detailed statement indicating the reasons it has for believing that the information is exempt from disclosure under federal, state, and local law. This statement will be used by the HACSB in making its determination as to whether disclosure is proper under federal, state or local law. The HACSB will exercise care in applying this confidentiality standard but will not be held liable for any damage or injury, which may result from any disclosure that may occur.

K. Disclosure of Criminal and Civil Proceedings

HACSB reserves the right to request the information described herein from the Proposer selected for contract award. Failure to provide the information may result in a disqualification from the selection process and no award of contract to the Proposer. HACSB also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The selected Proposer also may be requested to provide information to clarify initial responses. Negative information provided or discovered may result in disqualification from the selection process and no award of contract.

The selected Proposer may be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the Proposer will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the selected Proposer may also be asked to disclose whether the firm, or any of its partners, principals, members, associates, or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Proposer will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to HACSB. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

L. Debarment and Suspension

Proposer certifies (using Exhibit D) that neither it nor its principals or subcontracts is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency as required by Executive Order 12549.

Further, Proposer affirms that it has no record of unsatisfactory performance with HACSB in the twenty-four (24) month period immediately preceding the date of issuance of this RFP.

M. Board and Staff Communications

Under no circumstances may any member of the HACSB or any staff member other than the contact specified in Section II – Paragraph A, be contacted during this RFP process, by any entity intending to submit a response to this RFP. Failure to comply with this request will result in disqualification.

N. Final Authority to Award

The final authority to award contracts as a result of this RFP may require approval by The Housing Authority's Board of Commissioners based on award amount.

O. Payment for Services

Payments for any and all invoices or other obligations are satisfied electronically through the Automated Clearing House (ACH) system. The Contractor will be required to authorize 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.

VI. SCOPE OF WORK

The selected firm will be expected to provide the following services:

- Work collaboratively with HACSB, its financial advisors, and bond/disclosure counsel to design the optimal bond structure for the tax-exempt multifamily bond issue (“Permanent Bonds”) in light of the Authority’s objectives;
- Schedule, organize, and lead regular meetings and phone conferences regarding issuance of the Permanent Bonds;
- Review and comment on resolutions and authorizing documents, bond documents, disclosure documents, closing documents, and all other documents relating to the authorization, issuance, sale, and delivery of the Permanent Bonds;
- Oversee the compiling, printing, and mailing of disclosure documents and related materials, including the preliminary and final official statements;
- Assist in obtaining the rating for the bond transaction and any bond insurance commitment or other form of credit enhancement desired to secure the bonds, where applicable;
- Develop and oversee the distribution and marketing strategy for the Permanent Bonds, including gauging and generating investor interest and advising on optimal pricing given market conditions;
- Underwrite maturities of bonds to effectuate the successful distribution of HACSB’s bonds at the lowest possible interest rate;
- Facilitate closing of the bond transaction in a timely and efficient manner;
- Assist with negotiation/coordination of the payoff for the construction-phase financing;
- Assist with legal/regulatory compliance, monitoring, and reporting with respect to the Permanent Bonds as necessary; and
- Perform any necessary bond registration, authentication, rebate analysis, arbitrage analysis, and other key functions and analyses as may be required to effectuate the bond issuance and otherwise comply with federal tax law.

1. THE PROJECT

Located in Redlands, California, Valencia Grove II Apartments (“VGII” or the “Project”) is the second of three phases of new development intended to replace previously demolished public housing units on a one-for-one basis. The Project, which is currently in the final stages of construction, is owned by Valencia Grove II, LLC—of which HACSB is a 49% owner and Housing Partners Inc. (“HPI”), a 501(c)(3) community housing development organization, is a 51% owner. Because the Project is not utilizing low-income housing tax credits, there is no tax credit investor involved in the ownership structure. Construction-phase financing consists of taxable variable-rate bonds, backed by direct-pay and standby letters of credit, as well as gap financing from HACSB and HPI.

Following recent enhancements to the permanent financing strategy, HACSB is in the process of completing an operational conversion through the Restore Rebuild (formerly Faircloth-to-RAD) program, which will allow the Project to receive significant ongoing subsidy. In connection with that conversion, the Project will be acquired and owned by Redlands Valencia Grove II Associates, LLC, a limited liability company of which HACSB will be a 99% owner and HPI a 1% owner.

As HACSB recognizes the importance of maintaining access to the capital markets for its housing finance needs, the Authority recently worked with S&P Global Ratings (“S&P”) to obtain an issuer credit rating (“ICR”). On December 6, 2024, S&P assigned HACSB an initial ICR of ‘A+’ with a stable outlook.

Upon completion, the Project will provide 104 units of housing reserved for households earning no more than 80% of area median income as follows: 24 one-bedroom units, 51 two-bedroom units, 18 three-bedroom units, and 11 four-bedroom units. An additional two-bedroom unit will be reserved for a manager.

Dates of key Project milestones are as follows:

Milestone	Date
Financial Closing – Construction Bonds	December 2022
Construction Start	January 2023
Construction Completion	July 2025
100% Lease-Up	September 2025
Financial Closing – Permanent Bonds	October 2025
Expiration of Construction Letters of Credit	December 2026

2. FINANCING STRUCTURE

As noted in Section VI. 1 above, the Project—which is currently under construction—was financed with taxable variable-rate demand multifamily housing revenue bonds issued by Valencia Grove II, LLC (the “Construction Bonds”). The payment of principal and interest (“P&I”) on the Construction Bonds is secured by a pledge of revenues under a trust indenture, including amounts drawn under an irrevocable direct-pay letter of credit (“LOC”) issued by Cathay Bank, a California banking corporation, and under an irrevocable standby LOC issued by Federal Home Loan Bank of San Francisco. Both LOC expire on December 7, 2026.

The Authority intends to issue approximately \$[28] million of Permanent Bonds following 100% lease-up, which is expected to occur in September 2025. The Authority expects the Permanent Bonds will be either governmental purpose or 501(c)(3) tax-exempt bonds and that the P&I on those bonds will be paid primarily from revenues of the Project. In connection with closing of the Permanent Bonds, the Authority expects to not only pay off the Construction Bonds but also to pay down or pay off a portion of outstanding gap financing from HACSB. See **Attachment A** for additional detail on the permanent financing plan.

In the interest of further reducing the borrowing costs associated with the Permanent Bonds, HACSB is also prepared to pledge all general revenues of the Authority, subject to the parity lien of other obligations, toward repayment of such P&I. In this case, “general revenues” means all revenues of the Authority from any source, but only to the extent that those revenues are available to pay debt service on the bonds and are not pledged or restricted by law, regulation, contract, covenant, resolution, deed of trust, or otherwise (including restrictions related to funds made available to the Authority under the U.S. Housing Act of 1937) solely to another particular purpose.

HACSB looks forward to collaborating with its financial partners to identify the optimal financing structure for the Project. As described in §3 below, the Authority welcomes recommendations from potential partners to help achieve that end—including substantive revisions to the financing plan described above.

3. CONTENT OF PROPOSAL

All proposals must include the following:

- A. Title Page** (1 page). Include a title page identifying: (1) this request; (2) the firm name; (3) the name, title, address, telephone number, and e-mail address of the contact person for the proposal; and (4) the date of the proposal.
- B. Proposed Bond Structure and Plan of Finance** (no more than 7 pages, excluding any financial exhibits/pro forma models). In this section, your response should include the following:

1. Proposed Financing Plan

- a. Understanding that the Authority's primary goals are to (i) provide for the permanent financing of the Project with the lowest cost of capital available, (ii) maximize repayment of outstanding gap financing from HACSB and HPI, and (iii) achieve these aims with reasonable and manageable risk to the Authority's operations and general fund, describe the bond structure your firm would recommend. This description should include:
- Bond type (e.g., 501(c)(3), governmental purpose);
 - Bond structure and tranches (including any taxable tranches);
 - Type of bond offering and placement;
 - Bond term and amortization provisions;
 - Expected bond yield and loan rate;
 - Bond/loan sizing expectations and potential repayment of HACSB and HPI gap financing based upon preliminary underwriting;
 - Anticipated security and/or collateral requirements and any required guarantees;
 - All applicable underwriting ratios and requirements for the Project and borrower;
 - A description of the underwriting process and timeline, including the approximate amount of time needed to complete the financing and key approvals required (i.e., a description of your internal approval process);
 - Proposed redemption and prepayment provisions; and
 - Rating agency considerations, including expected rating.

Pro forma financials should assume market rates as of March 1, 2025.

- b. Indicate both the general benefits and drawbacks of your approach and identify any viable alternatives common in the marketplace.

2. Marketing Plan and Investor Issues

Your proposal should state how your firm will identify investors and help market the Permanent Bonds. Describe where you have employed the proposed approach elsewhere and provide an assessment of investor appetite for similar credits in the current market. Also, describe your firm's outlook on where investor sentiment is likely to be over the next 9 months, and identify key factors that could affect investor appetite over that period.

3. Risks and Feasibility

Your proposal should also address:

- a. Risks posed to HACSB and how, to what extent, and at what cost they would be mitigated;
- b. Where your proposed approach has been implemented elsewhere;

- c. Changes in market or other conditions under which you would not recommend this approach.

C. Background and General Information (no more than 4 pages). Briefly describe your firm, including but not limited to the following—

1. General Firm Information. Provide a description of your firm that includes:

- a. The location of the firm's principal U.S. office(s);
- b. The length of time your firm has been in business;
- c. The number of employees in the investment banking and public finance divisions;
- d. A discussion of any substantive changes in the investment banking team's management or structure—particularly in the housing group or any other area of its public finance practice—in the past 3 years.

2. Investigations and Proceedings. Indicate whether your firm has knowledge of any active investigations or criminal proceedings by the Internal Revenue Service, the Securities and Exchange Commission, or any other state or federal agency with regard to your firm's investment banking practices. If so, provide a brief description of such investigation(s) or proceeding(s) and the name and phone number of a person at the firm whom HACSB might contact to obtain more information. Also, identify any administrative proceeding, investigation, or litigation involving your firm's public finance or housing banking teams, or any member of the team that will support HACSB, which is ongoing or has been settled or otherwise concluded during the past 2 years.

3. Conflicts of Interest. Identify any existing or potential conflicts of interest, or any relationships that might be considered a conflict of interest, that may affect or involve transaction(s) for HACSB, including but not limited to conflicts involving entities providing professional services to HACSB. Include descriptions of any work you have performed for the County of San Bernardino, HACSB, HPI, or Valencia Grove II, LLC. Indicate whether this activity is ongoing, and if not, when the prior assignment was concluded.

D. Specialized Experience and Resources (no more than 7 pages, excluding attachments for list of issues and resumes). Discuss your firm's experience and resources as follows:

1. Housing Group. Describe your firm's housing group, including the number of bankers and support staff on the housing bond team overall, and specifically the multifamily bond team.

2. Multifamily Bond Issues. List all tax-exempt multifamily bond issues for which the firm has acted as underwriter since January 1, 2020. Note the issuer, type of issue, dollar amount, and issuance date of each issue and whether the firm acted as senior manager, co-senior manager, co-manager, or selling group member. Also, for each of these issues, note whether the issue involved (a) governmental purpose bonds, (b) 501(c)(3) bonds, or (c) a general revenue pledge like the one described in §2 above.

3. PHA's and New Issuers. Describe your firm's historical experience working with public housing authorities and/or other local issuers of multifamily housing bonds, particularly in California, including experience working with new issuers.

4. References. Provide at least 3 references from local agencies for your work as underwriter on multifamily projects, particularly for housing authorities and other local issuers in California. Such references should be for the same professionals who would be assigned to HACSB. Include the name of the agency and the name, title, phone number, and email address of the contact person.

5. **Staffing.** Provide names of individuals who would be assigned to the issuance of the Permanent Bonds, their resumes, and a description of their background in and expertise with: multifamily project finance, 501(c)(3) and governmental purpose bond issuance, public housing authorities, and general revenue pledges like the one described in §2 above. Describe each individual's proposed role and the approximate percentage of total work to be provided by each individual.
 6. **Underwriter's Counsel.** Identify the firm or firms you typically employ as underwriter's counsel and specify which of such firms you expect to employ for the issuance of the Permanent Bonds.
 7. **Other Information.** Discuss any topics not covered in this RFP that you would like to bring to the attention of HACSB.
- E. **Fees** (1 page). Provide a schedule of fees for serving as underwriter for the Permanent Bonds, assuming a \$[28] million issuance of 501(c)(3) or governmental purpose bonds for the Project backed by a general revenue pledge of the Authority. Provide a separate schedule of fees for any alternative structure you might propose, if different from the schedule just described.

Itemize all fees and charges, including estimated takedown, management fee, and expenses (including underwriter's counsel).

4. FORM OF PROPOSAL

Response to this RFP must be submitted via the PlanetBids website. Click on the link to access the bid documents and details: [PlanetBids](#)

Proposals must be compiled into searchable PDFs with section/subsection lettering, numbering, and titles that match the proposal requirements in Section VI. 3 above. Respondents should endeavor to limit the length of their responses to 20 pages, generally adhering to the page limits described in Section VI. C. 3. This RFP is designed to elicit all information considered essential to evaluating each proposal. There is no intent to limit the content of the responses. Respondents may include such additional information as may be appropriate but should not exclude any information required in Section VI. C. 3.

Additionally, each proposal must:

- Be presented in an 8.5" x 11" format, either vertical or horizontal;
- Be typed with font size no smaller than 10 points;
- Be submitted as a single file in .pdf format; and
- Include page numbers.

SELECTION CRITERIA – UPDATE AS NEEDED

Proposals will be evaluated based on the following selection criteria according to the relative weights listed below:

- A. Strength of proposed bond structure and plan of finance, including consistency with the Authority's primary goals, completeness and feasibility of the marketing plan, and thoughtfulness of the discussion on key risks and feasibility (25 points);

- B. Depth and breadth of relevant experience with tax-exempt multifamily housing bond transactions, particularly those involving (a) governmental purpose bonds, (b) 501(c)(3) bonds, and (c) a general revenue pledge like the one described in §2 above (25 points);
- C. Capacity to provide services in a timely, efficient, and professional manner, including sufficiency of staffing levels and the experience of assigned staff (20 points);
- D. Cost (fees), as scored based on the following formula (20 points);

$$\text{Score} = \frac{\text{Lowest Bidder's price}}{\text{Bidder's price}} \times 20$$

- E. Relevant experience with public housing authorities and/or other local issuers of multifamily housing bonds, particularly new and California issuers (10 points).

In addition to these criteria, HACSB may determine—for example, based on discussions with references or HACSB's review of respondent's answers to questions regarding investigations, proceedings, or conflicts of interest—that a respondent is ineligible for selection, regardless of overall point score.

INFORMATION REQUESTED OF PROPOSERS

A. Organizational and Personnel Background

Provide an overview of your company, emphasizing its qualifications and major organizational strengths.

B. Experience

Discuss your experience, in serving as a provider of Tax-Exempt Bonds.

C. Miscellaneous Discussion Questions

1. Identify the specific individuals who would be assigned to work with the HACSB and specify which person would be the primary contact person with the HACSB. Please include their level of expertise in the services and certifications held by staff.
2. Provide an estimate of time that will be required to begin Tax-Exempt Bonds.

D. Price

Provide your cost as listed in the Bid Proposal (Exhibit B) form for the rendering of the services and clearly specify if any additional expenses will be charged to the HACSB in connection with this proposal.

E. Affirmative Action

The HACSB requires that each respondent be an Equal Opportunity Employer:
State that the respondent complies fully with all government regulations regarding nondiscriminatory employment practices.

VII. COMPANY QUALIFICATIONS

Proposals shall be considered from responsible, organizations or individuals engaged in the performance of Tax-Exempt Bonds Services. Proposals must include information on competency in performing comparable Tax-Exempt Bonds Services, demonstration of acceptable financial resources, and personnel staffing. The vendor shall furnish detailed information on references, as well as background and experience with projects of a similar type and scope to include as a minimum:

- A. Brief history of the company
- B. A listing of five (5) references where similar services were performed. The client reference shall include the name of the organization, contact person, address, and telephone numbers.
- C. Vendors shall describe their understanding of the project scope, their proposed approach to performing the services, and submit a proposed schedule. Offerors shall include information on experience with similar projects. Offerors shall describe how their organization can meet the requirements of this RFP and shall include the following:
 - The number of years the Offeror has provided these services; *and*
 - The number of clients and geographic locations that the Offeror currently provides services for.
 - Provide the names and titles of the key management personnel directly involved with supervising the services rendered under this Contract along with their resumes.
 - Provide the name and resume of the Offeror's Contractor Representative who, if the Offeror is selected for award, would be responsible for the daily oversight of the Contract from the Contractor's perspective.

VIII. RFP REQUIREMENTS AND CONDITIONS

Minimum Requirements

This RFP sets forth the minimum requirements that all submissions shall meet. Failure to submit proposals in accordance with this request may render the proposal unacceptable.

Submission Requirements

Forms included within this Request for Proposal must be included with proposal, in addition to any and all included documents for review and consideration. Failure to submit mandatory forms will result in rejection of the proposal. The required documents are as follows:

1. Exhibit A – Contact Information Form
2. Exhibit B – Proposal Form
3. Exhibit C – Reference Form
4. Exhibit D – Certification Regarding Debarment or Suspension
5. Exhibit F – HUD Form 5369B
6. Exhibit G – HUD Form 5369C
7. Attachment A – Financing Summary

Collusion

Proposer, by submitting a proposal, hereby certifies that no officer, agent, or employee of the HACSB has a pecuniary interest in this Proposal; that the Proposal is made in good faith without fraud, collusion, or connection of any kind with any other proposer; and that the proposer is competing solely in its own behalf without connection with, or obligation to any undisclosed person or company.

Disputes

In case of any doubt or differences of opinions as to the participation sought hereunder, or the interpretation of the provisions of the RFP, the dispute process shall apply.

Contractors may appeal the recommended award, provided the appeal is in writing, contains the RFP number, is delivered to the address listed in Section II – Paragraph A of this RFP, and is submitted according to the time requirements listed below. The following shall apply to protests (unless otherwise specified, this section will use the term “protest” to also include disputes and appeals):

Solicitation: Contractors may protest a solicitation issued by HACSB. It must be received by the Procurement and Contracts Supervisor before the bid or proposal submittal deadline, or it will not be considered.

Award RFP: Any protest against the award of a contract based on an RFP must be received by the Procurement and Contracts Supervisor no later than two full business days after the bid submittal deadline, or before award of the contract, whichever is earlier, or the protest will not be considered.

Award RFP/RFQ: Any protest against the award of a contract based on an RFP or RFQ or appeal of a decision by HACSB to reject a proposal, must be received by the Procurement and Contracts Supervisor within three business days after notification to an unsuccessful proposer that they were not selected, or the protest will not be considered.

Rejection of Bid: Any protest of a decision by HACSB to reject a bid submitted in response to an RFP must be received by the Procurement and Contracts Supervisor within two business days after being notified in writing of HACSB’s decision, or the appeal will not be considered.

A written response will be directed to the appealing Contractor within fourteen (14) calendar days of receipt of the appeal, advising of the decision regarding the appeal and the basis for the decision. The decision of the HACSB shall be final and binding upon all parties.

IX. INSURANCE REQUIREMENTS

- A. **Proof of Insurance** shall not be terminated or expire without thirty (30) days written notice and are required to be maintained in force until completion of the contract. The Contractor shall require all subcontractors used in the performance of this contract to name HACSB as an additional insured. Following are the standard types and minimum amounts.

- ☐ **General Liability**: \$2,000,000 per occurrence and \$3,000,000 aggregate; *HACSB Additional Insured*.
- ☒ **Commercial General Liability**: limits of coverage for bodily injury and property damage liability of not less than \$2,000,000 per occurrence and not less than \$3,000,000 general aggregate; *HACSB named Additional Insured* on an attached endorsement.
- ☒ **Comprehensive Automobile Liability**: \$1,000,000; combined single limit bodily and property damage liability per occurrence and aggregate; *HACSB named Additional Insured*.
- ☒ **Errors and Omissions Liability**: \$1,000,000; combined single limit bodily and property damage liability per occurrence and \$3,000,000 aggregate **OR**,

- ☐ **Professional Liability:** \$1,000,000; per occurrence and aggregate.
- ☒ **Workers' Compensation:** \$1,000,000
- ☐ **Self-Insurance Program**
- ☐ **Environmental Liability**
- ☐ **Owner's Liability**
- ☐ **Fire Insurance with Extended Coverage**
- ☐ **Crime/Fidelity Insurance:** \$250,000 Sufficient to cover all agents and employees employed by Property Manager;
- ☐ **Excess/Umbrella Liability:** \$5,000,000; *HACSB named Additional Insured.*

B. Failure to provide proof of insurance or failure to maintain insurance as required in this bid, or by law; are grounds for immediate termination of the contract. In addition, the awarded bidder should be liable for all re-procurement costs and any other remedies under law.

C. **Indemnification and Insurance Requirements**

1. **Indemnification**

The Contractor agrees to indemnify, defend and hold harmless HACSB and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by HACSB on account of any claim therefore, except where such indemnification is prohibited by law.

2. **Additional Named Insured**

All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability policies, shall contain additional endorsements naming HACSB and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

3. **Waiver of Subrogation Rights**

The Contractor shall require the carriers of the above required coverages to waive all rights of subrogation against HACSB, its officers, employees, agents, volunteers, Contractors and subcontractors.

4. **Policies Primary and Non-Contributory**

All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by HACSB.

5. **Proof of Coverage**

The Contractor shall immediately furnish certificates of insurance to HACSB Procurement Department administering the Contract evidencing the insurance coverage, including the endorsements above required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department. Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the

completion of such services. Within sixty (60) days of the commencement of this Agreement, the Contractor shall furnish certified copies of the policies and all endorsements.

6. Insurance Review

The above insurance requirements are subject to periodic review by HACSB. HACSB's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of HACSB. In addition, if the Risk Manager determines that heretofore, unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against HACSB, inflation, or any other item reasonably related to HACSB's risk. Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Contractor agrees to execute any such amendment within thirty (30) days of receipt.

X. CONTRACT CONDITIONS

Americans with Disabilities Act

Proposer must comply with all applicable requirements of federal and state civil rights law and rehabilitation statutes.

Law of the State of California

The resulting contract will be entered into within the State of California and the law of said state, whether substantive or procedural, shall apply to the contract, and all statutory, charter and ordinance provisions that is applicable to public contracts within the County of San Bernardino and the State of California shall be followed with respect to the contract.

Contract Terms and Final Selection

The selected company will be expected to sign the HACSB's Contract Agreement, which will specify the terms of service. If the selected applicant and the HACSB cannot come to terms with respect to the contract, the HACSB reserves the right to select the next most qualified applicant or to terminate this RFP and to re-issue a new RFP if no Proposer is acceptable to the HACSB.

Electronic Signatures

The parties of an agreement resulting from the award of this RFP shall be entitled to sign and transmit an electronic signature (whether by facsimile, PDF or other email transmission).

EXHIBIT A – Contract Information Form

To: *Angie Lardapide, Procurement*
(909) 890-0644 or
Email: procurement@hacsb.com

This document is to acknowledge that we are in receipt of RFP #PC1418 FOR TAX-EXEMPT BONDS SERVICES rebid and have noted our intention to bid.

Vendor Name: _____

Address: _____

Contact/Title: _____

Phone: _____

Fax: _____

Email: _____

I PLAN TO SUBMIT A BID.

- ☐ Yes, I will be submitting a bid.
☐ Maybe, I need to research and get more information (contact HACSB-information listed above)

NO BID. Indicate *any* of the following. We:

- ☐ Do NOT desire to be retained on the vendor list.
☐ Desire to be retained on the vendor list, but decline to bid based on the following:
☐ Cannot comply with specifications/scope of work, Explain: _____

☐ Cannot meet delivery requirements, Explain: _____

☐ Do not regularly provide this type of product/service
☐ Other, Explain: _____
☐ Please update my information as listed above.

HOW YOU FOUND OUT ABOUT THE BID. Indicate *any* of the following. We:

- ☐ Checked the agency website
☐ Received notice by fax or e-mail
☐ Newspaper Ad, please list paper: _____
☐ Trade Publication, please list: _____
☐ Plan Room, please list: _____
☐ Other, Explain: _____

EXHIBIT B - PROPOSAL FORM

Vendor Name: _____

To: The Housing Authority of the County of San Bernardino
715 E. Brier Drive
San Bernardino, CA 92408

****Provide and attach pricing for described in this RFP document****

1. The undersigned, having familiarized themselves with the local conditions affecting the cost of the work, and with the Specifications, if any thereto, hereby proposes to furnish all labor, materials, equipment and services required to provide such service(s) described in the Scope of Work in accordance therewith.
2. In submitting this proposal, it is understood that the right is reserved by the Housing Authority of the County of San Bernardino to reject any and all proposals. If written notice of the acceptance of this proposal is mailed, telegraphed, faxed, or delivered to the undersigned within thirty (30) days after the opening thereof, or at any time thereafter before this proposal is withdrawn, the undersigned agrees to a contract/agreement in the prescribed form and furnish any required insurance requirements within ten (10) days after the contract is presented to him for signature.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Date _____, 20____

(Company Name)

(Official Address)

(By)

(Title)

(Contractors State License Number)

(Telephone Number)

EXHIBIT C – REFERENCES
CURRENT CLIENT REFERENCES (REQUIRED) – RFP#PC1418 TAX EMEMPT BONDS SERVICES

Submit this form with the BID, failure to do so is grounds for disqualification.

Company	
Address	
City, ST, Zip	
Fax/Phone/Email	
Contact Name/Title	
Type of Engagement	
<hr/>	
Company	
Address	
City, ST, Zip	
Fax/Phone/Email	
Contact Name/Title	
Type of Engagement	
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Company	
Address	
City, ST, Zip	
Fax/Phone/Email	
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Contact Name/Title	
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Company	
Address	
City, ST, Zip	
Fax/Phone/Email	
Contact Name/Title	
Type of Engagement	

Bidder's Company Name	
Legal Structure (corp./partner/proprietor)	
Principle Office Address	
City, ST, Zip	
Phone Number & Fax Numbers	
Email	
Federal Employer Identification Number	
Title of Person Authorized to Sign	
Print Name of Person Authorized to Sign	
Date Signed and Authorized Signature	

EXHIBIT D - CERTIFICATION REGARDING DEBARMENT OR SUSPENSION

In compliance with contracts and grants agreements applicable under the U.S. Federal Awards Program, the following certification is required by all Proposers submitting a response to this RFP:

1. The Proposer certifies, to the best of its knowledge and belief, that neither the Proposer nor its Principals are suspended, debarred, proposed for debarment, or declared ineligible for the award of contracts from the United States federal government procurement or non-procurement programs, or are listed in the *List of Parties Excluded from Federal Procurement and Non-procurement Programs* issued by the General Services Administration.
2. "Principals," for the purposes of this certification, means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager, plant manager, head of a subsidiary, division, or business segment, and similar positions).
3. The Proposer shall provide immediate written notice to the HACSB Procurement and Contracts Supervisor if, at any time prior to award, the Proposer learns that this certification was erroneous when submitted or has become erroneous by reason of changes circumstances.
4. This certification is a material representation of fact upon which reliance will be placed when making the award. If it is later determined that the Proposer rendered an erroneous certification, in addition to other remedies available to the HACSB government, the HACSB Procurement and Contracts Supervisor may terminate the contract resulting from this solicitation for default.
5. Proposer affirms that it has no record of recent unsatisfactory performance with HACSB, during the past twenty-four (24) months at a minimum.

**Printed Name of
Representative:**

Title:

Signature:

Date:

EXHIBIT E – STATE OF CALIFORNIA LABOR CODE



State of California LABOR CODE Section 1771.1

(a) A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

(b) Notice of the requirement described in subdivision (a) shall be included in all bid invitations and public works contracts, and a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor's current registration to perform public work pursuant to Section 1725.5.

(c) An inadvertent error in listing a subcontractor who is not registered pursuant to Section 1725.5 in a bid proposal shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive, provided that any of the following apply:

- (1) The subcontractor is registered prior to the bid opening.
- (2) Within 24 hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee specified in subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.
- (3) The subcontractor is replaced by another registered subcontractor pursuant to Section 4107 of the Public Contract Code.

(d) Failure by a subcontractor to be registered to perform public work as required by subdivision (a) shall be grounds under Section 4107 of the Public Contract Code for the contractor, with the consent of the awarding authority, to substitute a subcontractor who is registered to perform public work pursuant to Section 1725.5 in place of the unregistered subcontractor.

(e) The department shall maintain on its Internet Web site a list of contractors who are currently registered to perform public work pursuant to Section 1725.5.

(f) A contract entered into with any contractor or subcontractor in violation of subdivision (a) shall be subject to cancellation, provided that a contract for public work shall not be unlawful, void, or voidable solely due to the failure of the awarding body, contractor, or any subcontractor to comply with the requirements of Section 1725.5 or this section.

(g) This section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work entered into on or after April 1, 2015.

(Added by Stats. 2014, Ch. 28, Sec. 63. (SB 854) Effective June 20, 2014.)

EXHIBIT F – HUD Form 5369 B

Document on Following Page

Instructions to Offerors Non-Construction

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



- 03291 -

1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show **the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.**

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

EXHIBIT G – HUD Form 5369 C

Document on Following Page

Certifications and Representations of Offerors

Non-Construction Contract

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

OMB Approval No: 2577-0180 (exp. 7/30/96)

Public reporting burden for this collection of information is estimated to average 5 minutes 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.

This form includes clauses required by OMB's common rule on bidding/offering procedures, implemented by HUD in 24 CFR 85.36, and those requirements set forth in Executive Order 11625 for small, minority, women-owned businesses, and certifications for independent price determination, and conflict of interest. The form is required for nonconstruction contracts awarded by Housing Agencies (HAs). The form is used by bidders/offerors to certify to the HA's Contracting Officer for contract compliance. If the form were not used, HAs would be unable to enforce their contracts. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

1. Contingent Fee Representation and Agreement

(a) The bidder/offeror represents and certifies as part of its bid/offer that, except for full-time bona fide employees working solely for the bidder/offeror, the bidder/offeror:

(1) ☐ has, ☐ has not employed or retained any person or company to solicit or obtain this contract; and

(2) ☐ has, ☐ has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) If the answer to either (a)(1) or (a)(2) above is affirmative, the bidder/offeror shall make an immediate and full written disclosure to the PHA Contracting Officer.

(c) Any misrepresentation by the bidder/offeror shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

2. Small, Minority, Women-Owned Business Concern Representation

The bidder/offeror represents and certifies as part of its bid/offer that it:

(a) ☐ is, ☐ is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.

(b) ☐ is, ☐ is not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

(c) ☐ is, ☐ is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- | | |
|---|---|
| <input type="checkbox"/> Black Americans | <input type="checkbox"/> Asian Pacific Americans |
| <input type="checkbox"/> Hispanic Americans | <input type="checkbox"/> Asian Indian Americans |
| <input type="checkbox"/> Native Americans | <input type="checkbox"/> Hasidic Jewish Americans |

3. Certificate of Independent Price Determination

(a) The bidder/offeror certifies that—

(1) The prices in this bid/offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder/offeror or competitor relating to (i) those prices, (ii) the intention to submit a bid/offer, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this bid/offer have not been and will not be knowingly disclosed by the bidder/offeror, directly or indirectly, to any other bidder/offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the bidder/offeror to induce any other concern to submit or not to submit a bid/offer for the purpose of restricting competition.

(b) Each signature on the bid/offer is considered to be a certification by the signatory that the signatory:

(1) Is the person in the bidder/offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above (insert full name of person(s) in the bidder/offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder/offeror's organization);

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

- (c) If the bidder/offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its bid/offer a signed statement setting forth in detail the circumstances of the disclosure.

4. Organizational Conflicts of Interest Certification

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under a proposed contract and a prospective contractor's organizational, financial, contractual or other interest are such that:

- (i) Award of the contract may result in an unfair competitive advantage;
- (ii) The Contractor's objectivity in performing the contract work may be impaired; or
- (iii) That the Contractor has disclosed all relevant information and requested the HA to make a determination with respect to this Contract.

- (b) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the HA which shall include a description of the action which the Contractor has taken or intends to eliminate or neutralize the conflict. The HA may, however, terminate the Contract for the convenience of HA if it would be in the best interest of HA.

- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this Contract and intentionally did not disclose the conflict to the HA, the HA may terminate the Contract for default.

- (d) The Contractor shall require a disclosure or representation from subcontractors and consultants who may be in a position to influence the advice or assistance rendered to the HA and shall include any necessary provisions to eliminate or neutralize conflicts of interest in consultant agreements or subcontracts involving performance or work under this Contract.

5. Authorized Negotiators (RFPs only)

The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals: (list names, titles, and telephone numbers of the authorized negotiators):

6. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement, as described in the clause in this solicitation titled "Organizational Conflict of Interest."

7. Offeror's Signature

The offeror hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

Signature & Date:

Typed or Printed Name:

Title:

Attachment A – Financing Summary

Document on Following Page

FINANCING SUMMARY		
SOURCES OF FUNDS	Construction	Permanent
Land Lease + Permit / Entitlement Value	1,030,000	1,030,000
Permanent Bonds	0	28,000,000
HACSB Gap Loan	12,000,000	5,147,521
Construction Bonds (LOC-backed VRDOs)	21,672,088	
HPI Gap Loan	2,000,000	2,000,000
Vist Del Sol Refinance	2,000,000	2,000,000
Projected Escrow Savings	0	1,800,000
Deferred Costs	1,275,433	0
Total	39,977,521	39,977,521

USES OF FUNDS	Construction	Permanent
Land	1,030,000	1,030,000
Utility Expense	130,000	130,000
Hard Costs - New Construction	27,929,352	27,929,352
General Requirements	3,844,567	3,844,567
Contractor Profit and Overhead	1,955,055	977,528
General Conditions	1,955,055	977,528
Architectural Fees	150,000	150,000
Environmental Report	390,592	390,592
Builder's Risk & Insurance	341,658	341,658
Other	0	91,530
Accounting and Auditing	0	953,150
Title and Recording	0	17,718
Construction Loan Fees	106,346	106,346
Interest (Construction Period)	0	206,943
Interest (Post-Construction)	0	472,462
Lender Legal	110,000	110,000
Financing Costs	0	1,447,085
Application Fee	106,346	106,346
Legal and Other	341,049	341,049
Soft Cost Contingency	272,247	272,247
Marketing and Leaseup	39,820	39,820
Operating Reserve	0	41,600
Deferred Costs	1,275,433	0
Total	39,977,521	39,977,521

INCOME PROJECTIONS								
# Units	# Bedrooms	AMI	Monthly Tenant Rent	Monthly Subsidy	Monthly Income	Total Annual Tenant Rent	Total Annual Subsidy	Total Annual Income
11	1	80%	\$1,160	\$476	\$1,636	\$153,120	\$62,832	\$215,952
13	1	50%	\$771	\$865	\$1,636	\$120,276	\$134,940	\$255,216
50	2	80%	\$1,358	\$668	\$2,026	\$814,800	\$400,800	\$1,215,600
18	3	80%	\$1,551	\$1,155	\$2,706	\$335,016	\$249,480	\$584,496
11	4	80%	\$1,695	\$1,513	\$3,208	\$223,740	\$199,716	\$423,456
103						\$1,646,952	\$1,047,768	\$2,694,720

PERM DEBT	
Revenue	2,694,720
Vacancy	(161,683)
Net Revenue	2,533,037
Expenses	(730,983)
NOI	1,802,054
DSCR, Interest-Only (x)	1.10
Available for Senior Debt Service	1,638,231
Less Principal Repayment (Year 1)	(80,000)
Net Available for Debt Service	1,558,231
DSCR, All-In (x)	1.05
Rate	5.55%
Term	30
Perm Debt	\$28,000,000

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Year 30
Operating Income								
Tenant Rent	1,646,952	1,679,891	1,713,489	1,747,759	1,782,714	1,968,260	2,399,298	2,924,731
Public Housing Operating Subsidy	1,047,768	1,068,723	1,090,098	1,111,900	1,134,138	1,252,180	1,526,400	1,860,673
Total Public Housing Rental Income	2,694,720	2,748,614	2,803,587	2,859,658	2,916,852	3,220,440	3,925,698	4,785,404
Gross Rental Income	2,694,720	2,748,614	2,803,587	2,859,658	2,916,852	3,220,440	3,925,698	4,785,404
Other Income (laundry, interest, etc.)	0	0	0	0	0	0	0	0
Gross Income	2,694,720	2,748,614	2,803,587	2,859,658	2,916,852	3,220,440	3,925,698	4,785,404
Less Vacancy Allowance	161,683	164,917	168,215	171,580	175,011	193,226	235,542	287,124
Effective Gross Income	2,533,037	2,583,698	2,635,371	2,688,079	2,741,840	3,027,213	3,690,156	4,498,280

Operating Expenses								
Administration/Salaries	236,076	243,158	250,453	257,967	265,706	308,026	413,961	556,329
Property Management Fee	151,982	155,022	158,122	161,285	164,510	181,633	221,409	269,897
Office Expenses	82,400	84,872	87,418	90,041	92,742	107,513	144,489	194,181
Insurance	51,500	53,045	54,636	56,275	57,964	67,196	90,306	121,363
Accounting	0	0	0	0	0	0	0	0
Maintenance	80,443	82,856	85,342	87,902	90,539	104,960	141,057	189,569
Utilities	81,782	84,235	86,763	89,365	92,046	106,707	143,405	192,725
Security	0	0	0	0	0	0	0	0
Real Estate Taxes/PILOT	0	0	0	0	0	0	0	0
Supportive Services	0	0	0	0	0	0	0	0
Replacement Reserve	46,800	48,204	49,650	51,140	52,674	61,063	82,064	110,287
Total Operating Expenses	730,983	751,393	772,384	793,975	816,181	937,098	1,236,691	1,634,351
Net Operating Income	1,802,054	1,832,305	1,862,987	1,894,104	1,925,659	2,090,116	2,453,465	2,863,929

Debt Service								
Loan 1: Bond Issuance	1,638,231	1,638,231	1,638,231	1,638,231	1,638,231	1,638,231	1,638,231	1,638,231
Voluntary: Bond Principal Payoff*	80,000	115,171	144,532	174,309	204,505	361,880	709,583	1,102,371
Total Debt Service	1,718,231	1,753,402	1,782,763	1,812,540	1,842,736	2,000,111	2,347,814	2,740,602
Debt Service Coverage Ratio, Interest-Only (x)	1.10	1.12	1.14	1.16	1.18	1.28	1.50	1.75
Debt Coverage Ratio w/ Principal Repayment (x)	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05

Cash Flow Available for Distribution**	83,823	78,903	80,224	81,564	82,923	90,005	105,652	123,327
Distribution: HPI Loan(s)	41,911	39,452	40,112	40,782	41,462	45,002	52,826	61,664
Distribution: HACSB Loan(s)	41,911	39,452	40,112	40,782	41,462	45,002	52,826	61,664

*Voluntary Principal Payoff is sized to maintain 1.05x debt cover ratio in each year

MEMORANDUM

Date: June 22, 2022

To: Board of Directors, Housing Partners One, Inc.

From: Anthony Perez, Executive Director

RE: **MOTION – Approve Resolution No. 127, Authorizing Valencia Grove II, LLC as Bond Issuer and to Execute Related Actions**

BACKGROUND:

In September 2021, the HPI Board of Directors approved the formation of Valencia Grove II, LLC, which included HPI as the managing member of this LLC. The Housing Authority of the County of San Bernardino (HACSB) and Housing Partners I, Inc. (HPI) are in the process of revitalizing the former scattered site public housing development known as Valencia Grove by demolishing the old buildings located on the site and developing, in multiple phases, new multifamily residential rental units and homeownership units. Eighty-Five new affordable housing units have already been built and occupied as part of the revitalization through development of a project known as Valencia Grove I, by the low-income housing tax credit partnership Redlands Valencia Grove I Associates, LP. HPI is the managing general partner in this phase I Limited Partnership.

HPI and HACSB continue the revitalization of the site through development of new multifamily residential rental units in a project known as Valencia Grove II, that will utilize HACSB and HPI residual receipt loans and a Variable Rate Debt Obligation (VRDO) to finance new construction of phase II. The Bonds will be issued by Valencia Grove II, LLC and sold by the securities agent over time to fund construction draws as requested by the LLC. Additionally, the residual receipt loans from HACSB and HPI will be utilized first to fund the initial stages of construction to minimize the period that interest will be payable on the bonds. By utilizing the residual receipt funding first, the VRDOs will not be sold until well into the construction project (6-12 months), and only enough to fund individual construction draws as coordinated with the construction schedule. Upon construction completion and stabilized occupancy of the site, the loan will be converted to a permanent loan held by Cathay Bank. Other than the residual receipt loans provided by HPI and HACSB, and a completion guarantee provided by HACSB, no other funds of HPI are pledged as security or otherwise obligated for the Bonds or the Project. The project is scheduled to close construction financing in July 2022 and begin construction in August 2022. The overall construction schedule, from construction start to certificate of occupancy, is scheduled for 18-months.

Therefore, staff recommends the Board of Directors approve Valencia Grove II, LLC as the bond issuer for phase II of the Valencia Grove and approve Resolution No. 127 which provides the necessary approvals to complete this transaction.

RECOMMENDATION:

Approve Resolution No. 127, Authorizing Valencia Grove II, LLC as Bond Issuer for the Development of the Valencia Grove II Development and to Execute Related Documents

ATTACHMENT

- Resolution No. 127

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

June 10, 2025

FROM

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

SUBJECT

Meeting Minutes for the Meeting Held on May 13, 2025

RECOMMENDATION(S)

Approve the meeting minutes for the special meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on May 13, 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

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 May 13, 2025, 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 May 19, 2025.

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO
May 13, 2025**

The Board of Commissioners of the Housing Authority of the County of San Bernardino met in a regular meeting at the Administration Office, at 715 East Brier Drive, San Bernardino, California at 3:02 p.m. on May 13, 2025.

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 Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Johnson

Also in attendance were Rishad Mitha, Deputy Executive Director; Jesse Diaz, Director of Business Services; Kristin Maithonis, Director of Housing Services; Angie Lardapide, Procurement and Contracts Supervisor; Nicole Beydler, Director of Policy and Communications; Lucy Leslie, Director of Housing Communities; Garrett Dalton, Information Technology Manager; John Moore, Director of Development; George Silva, Family Empowerment Services Manager; Shamira Shirley, Management Analyst; Renee Kangas, Sr. Management Analyst; Armando Salazar, Management Analyst; Edgar Sedano, Real Estate Services Specialist; and Daisy Villalobos, Data Specialist.

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

2) Additions or Deletions to the Agenda

Chair Cooper called for additions or deletions to the May 13, 2025, agenda. There were none.

3) General Public Comment

Chair Cooper provided an opportunity for members of the public to address the Board of Commissioners. There were none.

4) Executive Director's Report

The Executive Director's Report was requested.

Executive Director, Maria Razo, provided the Executive Director's Report.

Discussion amongst the Board of Commissioners took place regarding the Executive Director's Report for May 13, 2025.

5) Board Building Presentation for May 13, 2025

Discussion calendar item number 5, to receive the board building presentation for May 13, 2025, an overview on leasing and budgeting of the Housing Authority of the County of San Bernardino's Housing Choice Voucher Program, was requested.

Deputy Executive Director, Rishad Mitha provided the presentation to the board.

Discussion amongst the Board of Commissioners took place regarding the discussion calendar item number 5.

6) Approval of a non-financial Memorandum of Understanding with San Bernardino County's Department of Behavioral Health for the No Child Left Unsheltered program for the period of July 1, 2025 through June 30, 2025.

Discussion calendar item number 6, to approve a non-financial Memorandum of Understanding with San Bernardino County's Department of Behavioral Health for the No Child Left Unsheltered program for the period of July 1, 2025 through June 30, 2030, was requested.

Commissioner Miller moved to approve discussion calendar item number 6, as recommended by staff and Commissioner Johnson seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Johnson

Nays

7) Approval of a Memorandum of Understanding with Foothill AIDS Project to administer the Housing Opportunities for Persons with AIDS program for one year effective July 1, 2025 through June 30, 2026, in the amount not to exceed \$1,316,216, and may be extended for one-year periods upon written agreement by both parties.

Discussion calendar item number 7, to approve a Memorandum of Understanding with Foothill AIDS Project to administer the Housing Opportunities for Persons with AIDS program for one year effective July 1, 2025 through June 30, 2026, in the amount not to exceed \$1,316,216, and may be extended for one-year periods upon written agreement by both parties, was requested.

Commissioner Miller moved to approve discussion calendar item number 7, as recommended by staff and Commissioner Johnson seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Johnson

Nays

8) Approval of a contract with the San Bernardino County Transitional Assistance Department for the provision of California Work Opportunity and Responsibility to Kids Housing Support Program services for a contract amount not to exceed \$16,434,760, for the total contract period of July 1,2025, through May 31, 2028.

Discussion calendar item number 8, to approve a contract with the San Bernardino County Transitional Assistance Department for the provision of California Work Opportunity and Responsibility to Kids Housing Support Program services for a contract amount not to exceed \$16,434,760, for the total contract period of July 1,2025, through May 31, 2028, was requested.

Commissioner MacDuff moved to approve discussion calendar item number 8, as recommended by staff and Commissioner Miller seconded the motion. Upon the roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Johnson

Nays

9) Approval of amendment No. 4 to the contract PC1212, effective May 14, 2025, for agencywide janitorial services with Base Hill, Inc., dba Jan Point exercising the single-year option to extend the contract through August 31, 2026 and increasing the compensation by \$237,929.28 for a total amount not to exceed \$737,929.28 for such option year.

Discussion calendar item number 9, to approve amendment No. 4 to the contract PC1212, effective May 14, 2025, for agencywide janitorial services with Base Hill, Inc., dba Jan Point exercising the single-year option to extend the contract through August 31, 2026, and increasing the compensation by \$237,929.28 for a total amount not to exceed \$737,929.28 for such option year, was requested.

Commissioner Johnson moved to approve discussion calendar item number 9, as recommended by staff and Commissioner Miller seconded the motion. Upon the roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Johnson

Nays

10) Approval of an increase in appropriations, effective May 14, 2025, for flooring services in the amount of \$934,729 for an overall amount split between two vendors not to exceed \$1,184,729.

Discussion of calendar item number 10, to approve an increase in appropriations, effective May 14, 2025, for flooring services in the amount of \$934,729 for an overall amount split between two vendors not to exceed \$1,184,729, was requested.

Commissioner Miller moved to approve discussion calendar item number 10, as recommended by staff and Commissioner MacDuff seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper

Vice-Chair MacDuff

Commissioner Miller

Commissioner Johnson

Nays

11) Retroactively authorize the Executive Director to execute the lease agreement with Echo SB, LLC for Echo Apartments located at 505 East Rialto Avenue, San Bernardino, CA.

Discussion calendar item number 11, to retroactively authorize the Executive Director to execute the lease agreement with Echo SB, LLC for Echo Apartments located at 505 East Rialto Avenue, San Bernardino, CA., was requested.

Commissioner Miller moved to approve discussion calendar item number 11, as recommended by staff and Commissioner Johnson seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper

Vice-Chair MacDuff

Commissioner Miller

Commissioner Johnson

Nays

12, 13, 14, 15, 16 and 17) Consent Calendar

Approval of the consent calendar including agenda item numbers 12-17 was requested.

Commissioner Johnson moved to approve consent calendar agenda item numbers 12-17,

12) Ratify the following items passed with a second to the original motion by Sid Jain, who, as a result of a clerical error, had not been properly appointed as a board member of the Housing Authority:

- a) Ratify the March 17, 2025 approval of a contract extension of the Project-

Based Voucher Program Housing Assistance Payments Contract with HACSB Andalusia Apartments, LLC for nine No Child Left Unsheltered Program units, for an additional one-year period from April 1, 2025 through March 31, 2026.

- b) Ratify the March 17, 2025 approval of a contract extension of the Project-Based Voucher Program Housing Assistance Payments Contract with HACSB Hampton Court, LLC for four No Child Left Unsheltered Program units, for an additional one-year period from April 1, 2025 through March 31, 2026.
- c) Ratify the March 17, 2025 approval of a contract extension of the Project-Based Voucher Program Housing Assistance Payments Contract with HACSB Sunset Gardens Apartments, LLC for four No Child Left Unsheltered Program units, for an additional one-year period from April 1, 2025 through March 31, 2026.
- d) Ratify the April 8, 2025 approval and filing of agency-wide financial statements through December 2024.
- e) Ratify the April 8, 2025 approval of vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of January 2025.
- f) Ratify the April 8, 2025 approval of delinquent landlord accounts for the Housing Services Programs to be written off as collection losses.

13) Approve the corrected meeting minutes for the special meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on March 17, 2025.

14) Approve the corrected meeting minutes for the regular meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on April 8, 2025.

15) Approve and file agency-wide financial statements through January 2025.

16) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of February 2025.

17) Approve the write-off of delinquent accounts for the Housing Services Programs as collection losses for the month of March 2025.

The motion was duly seconded by Commissioner MacDuff.

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

Ayes

Chair Cooper

Vice-Chair MacDuff

Commissioner Miller

Commissioner Johnson

Nays

Abstain

There being no other business, Commissioner Johnson moved for the regular meeting of Tuesday, May 13, 2025, to be adjourned, and which motion was duly seconded by Commissioner MacDuff. There being no objection to the call for adjournment, the meeting was adjourned by unanimous consent at 4:25 p.m.

Minutes of the Regular Meeting of the Board of Commissioners of the Housing Authority of the
County of San Bernardino for May 13, 2025

Page 6

Beau Cooper, Chair

Cassie MacDuff, Vice Chair

Tim Johnson

Sylvia Miller

Michael Thomas (absent)

Attest:

Secretary

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

June 10, 2025

FROM

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

SUBJECT

Agency-Wide Financial Statements Through February 2025

RECOMMENDATION(S)

Approve and file agency-wide financial statements through February 2025.
(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 February 2025 for Federal Fiscal Year (FFY) 2024-25 is (\$775,730). This net loss is currently lower than the budgeted net loss of (\$2,289,829) with a variance of \$1,514,100. A draw from HACSB HUD Held Reserves (HHR) will be used to cover the budgeted loss of \$2.3 million. Further explanation on HHR is listed in the section below.

The \$1,514,100 variance between the budgeted and the actual net income is due to the variance of gains and losses to the budget, such as:

- The HCV program received \$4.9 million more in Housing Assistance Payment (HAP) funding from HUD when compared to the budgeted amount. HACSB expects to receive all HAP funds that were awarded, but the actual funds that are received are based on prior months' HAP expenses. This causes a variance between the amount of funding budgeted, and the amount received.
 - An annual reconciliation between the amount of HAP funding received and the amount that should have been received is performed by HUD and HACSB. This reconciliation determines the difference between the authorized funding amount and the actual funding received.
 - If the authorized funding exceeds the amount that HACSB received, the difference is deposited into a restricted HUD Held Reserve (HHR) account which can be used for future eligible expenses, with HUD's approval.
 - If the funds HACSB receives are more than the authorized funding amount, a withdrawal is made from HHR.
- Conversely, the HCV program experienced an increase in HAP costs in the amount of \$3.1 million. This was mainly due to rising rents. Unlike the funding in the HCV program, HAP is 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.

- Physical needs work was \$1.7 million less than budgeted. This amount is reflected in the extraordinary maintenance line on the financial statements and the variance is due to delays in projects due to higher-than-expected costs and the need to value engineer or rebid said projects.
- The total amount of Other Income revenue is \$1.5 lower than the budgeted \$4.5 million. This is due to a delay in the residual receipts calculation for 2024. We expect that this calculation will be done by the end of the fiscal year.
- Depreciation expenses are not budgeted and amount to \$2 million. This is not a cash transaction and is based on the accrual accounting procedures required by GAAP that reduce the value of fixed assets over time. Non-cash transactions like depreciation are important and required as they impact an agency's financial statements, but not its cash flow.

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 of Commissioners 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.

Financial Summary	FY 2025 YTD
Revenues	\$106,525,206
Expenses	\$(105,325,623)
Operating Net Income/(Loss)	\$1,199,583
Operating Transfers/Non-Operating Items	\$(1,975,313)
Net Income/(Loss)	\$(775,730)

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.

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 monthly.

PROCUREMENT

Not applicable.

ITEM ATTACHMENTS

- Attachment – Consolidated Budget to Actuals 2.2025

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 19, 2025.

HACSB Budget Comparison

Period = Oct 2024-Feb 2025

	YTD Actual	YTD Budget	Variance	% Var	Annual
INCOME					
TENANT INCOME					
Total Rental Income	15,129,773	14,061,606	1,068,168	7.60	33,745,895
Total Other Tenant Income	350,265	248,491	101,774	40.96	595,147
NET TENANT INCOME	15,480,039	14,310,097	1,169,942	8.18	34,341,043
GRANT INCOME					
TOTAL GRANT INCOME	88,184,124	82,046,325	6,137,799	7.48	196,976,041
OTHER INCOME					
TOTAL OTHER INCOME	2,861,043	4,540,544	-1,679,501	-36.99	9,007,913
TOTAL INCOME	106,525,206	100,896,966	5,628,240	5.58	240,324,996
EXPENSES					
GRANT EXPENSES					
TOTAL GRANT EXPENSES	5,373,902	4,158,325	-1,215,577	-29.23	10,044,842
ADMINISTRATIVE					
Total Administrative Salaries	7,016,213	7,462,827	446,614	5.98	18,659,130
Total Legal Expense	245,295	270,299	25,003	9.25	648,657
Total Other Admin Expenses	2,965,132	3,539,783	574,652	16.23	8,444,201
Total Miscellaneous Admin Expenses	1,472,573	1,528,165	55,591	3.64	3,097,127
TOTAL ADMINISTRATIVE EXPENSES	11,699,213	12,801,073	1,101,860	8.61	30,849,115
TENANT SERVICES					
TOTAL TENANT SERVICES EXPENSES	26,456	76,227	49,771	65.29	179,867
UTILITIES					
TOTAL UTILITY EXPENSES	1,840,746	2,012,457	171,711	8.53	4,839,943
MAINTENANCE AND OPERATIONS					
Total General Maint Expense	1,731,156	1,614,768	-116,388	-7.21	3,982,483
Total Materials	593,810	481,098	-112,712	-23.43	1,152,934
Total Contract Costs	2,201,875	1,900,511	-301,364	-15.86	4,558,556
TOTAL MAINTENANCE EXPENSES	4,526,841	3,996,377	-530,464	-13.27	9,693,972
GENERAL EXPENSES					
TOTAL GENERAL EXPENSES	1,311,739	1,034,564	-277,175	-26.79	2,394,281
EXTRAORDINARY MAINTENANCE EXPENSES					
TOTAL EXTRAORDINARY MAINTENANCE EXPENSES	1,523,136	3,173,286	1,650,151	52.00	6,583,396
HOUSING ASSISTANCE PAYMENTS					
TOTAL HOUSING ASSISTANCE PAYMENTS	78,153,801	75,065,003	-3,088,798	-4.11	180,156,007
FINANCING EXPENSE					
TOTAL FINANCING EXPENSES	869,789	869,483	-306	-0.04	2,087,990
TOTAL OPERATING EXPENSES	105,325,623	103,186,795	-2,138,828	-2.07	246,829,414
OPERATING NET INCOME	1,199,583	-2,289,829	3,489,412	152.39	-6,504,418
NET OPERATING TRANSFER IN/OUT	0	0	0	N/A	0
NON-OPERATING ITEMS					
TOTAL NON-OPERATING ITEMS	1,975,312	0	-1,975,312	N/A	0
NET INCOME	-775,730	-2,289,829	1,514,100	66.12	-6,504,418

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

June 10, 2025

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 March 2025

RECOMMENDATION(S)

Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of March 2025.

(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 March 31, 2025, is \$80,952.80. The Housing Authority of the County of San Bernardino (HACSB) projects and anticipates collection losses in its annual budget.

SUMMARY FOR HACSB- Authority Owned Properties

PROPERTY	NO. VACATED	TOTAL
402 - Summit Place	1	(53.00)
407 - Sunset Pointe	4	653.09
408 - Sunrise Vista	3	9,709.62
409 - Andalusia	4	41,860.00
423 - Mesa Gardens	1	(197.00)
437 - Sunset Gardens	1	-
467 - Hillcrest	1	2,676.00
481 - Waterman Gardens	1	2,355.00
481131- Maplewood Scattered Sites	1	92.00
481150- Redlands	1	850.00

Vacated Tenant Accounts for the Authority Owned Portfolio to be Written Off as Collection Loss
for the Month of March 2025
June 10, 2025

481161-Colton	1	8,216.00
Concessions Write Off	0	-
TOTAL RENT WRITE OFF	19	66,161.71
Miscellaneous Charges		2,733.10
Maintenance Charges		21,471.99
Legal Charges		9,250.00
Security Deposits Applied		(18,664.00)
NET TOTAL WRITE OFF		80,952.80

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 either wholly or as part of a partnership.

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, the Board of Commissioners' approval is requested to write off these accounts as accounts receivable losses to the Authority Owned Portfolio. Losses during this time period (March 1 – March 31, 2025) are primarily for voluntary move-outs and evictions.

PROCUREMENT

Not applicable

ITEM ATTACHMENTS

The attachments included for the March 2025 collection loss are:

- Attachment 1 – ATT-BOC 061025 AOP Vacated Accounts

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 19, 2025.

Housing Authority County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End: 03/31/25

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
402 - Summit Place													
1	S	S		V	1,815.00	(53.00)		50.00	629.00		626.00	600.00	26.00
					1,815.00		-				-		-
TOTALS:						(53.00)	-	50.00	629.00	-	626.00	600.00	26.00
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	N/A	N/A	N/A	N/A	N/A	N/A		N/A	N/A		02/28/25		
407 - Sunset Pointe													
2	Batts	C							(0.25)		(0.25)		(0.25)
3	W	R		S	1,174.00	39.00		176.82	1,362.00		1,577.82	600.00	977.82
4	Death	O		V	1,044.00	418.00			1,910.00		2,328.00	475.00	1,853.00
5	T	L		D	1,100.00	(7.91)			730.00		722.09	700.00	22.09
6	B	E		S	997.00	204.00		150.00	2,509.00		2,863.00	997.00	1,866.00
TOTALS:						653.09	-	326.82	6,510.75	-	7,490.66	2,772.00	4,718.66
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
2	Collection on bad debt												
3	Skip	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		02/01/25		
4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		03/12/25		
5	Death	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		02/01/25		
6	Skip	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		03/14/25		
408 - Sunrise Vista													
7	S	J							(71.40)		(71.40)		(71.40)
8	C	L		V	825.00	31.00		67.00	1,040.95		1,138.95	400.00	738.95
9	A	C		E	1,050.00	3,051.00		375.00	1,369.00	1,230.00	6,025.00	600.00	5,425.00
10	C	M		E	1,050.00	6,627.62		144.28	1,415.95	1,500.00	9,687.85	800.00	8,887.85
							-			-	-		-
TOTALS:						9,709.62	-	586.28	3,754.50	2,730.00	16,780.40	1,800.00	14,980.40
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
7	Collection on bad debt												
8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		03/03/25		
9	Notice to pay or quit	1/14/2025	Posted	02/05/25	02/27/25	N/A			turned in keys to avoid eviction		03/10/25		
10	Notice to pay or quit	12/10/24	Posted	01/08/25	01/09/25	02/04/25		03/20/25	N/A		03/20/25		

* Reasons: E=Eviction 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

Month End: 03/31/25

COLLECTION WRITE-OFFS - Authority Owned Portfolio

409 - Andalusia													
11	O	H							(1,614.00)		(1,614.00)		(1,614.00)
12	C	J							(100.00)		(100.00)		(100.00)
13	W	D		E	2,000.00	16,408.00		539.00	248.00	750.00	17,945.00	2,000.00	15,945.00
14	H	A		E	1,800.00	14,850.00		375.00	438.00	750.00	16,413.00	1,800.00	14,613.00
15	B	K		E	2,338.00	9,820.00		150.00	1,219.82	1,500.00	12,689.82	2,338.00	10,351.82
16	D	L		E	1,275.00	782.00		156.00	712.00	95.00	1,745.00	1,275.00	470.00
TOTALS:						41,860.00	-	1,220.00	903.82	3,095.00	47,078.82	7,413.00	39,665.82
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
11	Payment on bad debt												
12	Payment on bad debt												
13	Notice to pay or quit	10/31/24	Posted	11/05/24	12/03/24	Y		01/30/25	03/17/25		03/17/25		
14	Notice to pay or quit	10/06/24	Posted	10/15/24	11/19/24	12/06/24		01/23/25	Turned in keys to avoid lockout		03/10/25		
15	Notice to pay or quit	11/07/24	Posted	11/22/24	12/02/24	12/20/24		01/16/25	03/06/25		03/06/25		
16	Notice to pay or quit	02/06/25	Posted	02/20/25	N/A				turned in keys to avoid eviction		02/28/25		

423 - Mesa Gardens													
17	R	W							(100.00)		(100.00)		(100.00)
18	B	D		D	1,183.00	(197.00)			2,718.00		2,521.00	400.00	2,121.00
							-	-			-		-
TOTALS:						(197.00)		-	2,618.00	-	2,421.00	400.00	2,021.00
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		
17	Payment on bad debt												
18	Death	N/A	N/A	N/A	N/A	N/A	N/A	N/A			02/25/25		
									N/A				

437 - Sunset Gardens														
19	M	D					-		(201.00)		(201.00)		(201.00)	
20	S	D							(500.00)		(500.00)		(500.00)	
21	M	J		V	1,750.00		-		2,396.00		2,396.00	1,100.00	1,296.00	
TOTALS:							-	-	-	1,695.00	-	1,695.00	1,100.00	595.00
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			
19	Payment on bad debt													
20	Payment on bad debt													
21	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		03/04/25			

* Reasons: E=Eviction 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

Month End: 03/31/25

COLLECTION WRITE-OFFS - Authority Owned Portfolio

467 - Hillcrest														
22	W		D		T	818.00	2,676.00		300.00	125.00	1,325.00	4,426.00	550.00	3,876.00
												-		-
TOTALS:							2,676.00	-	300.00	125.00	1,325.00	4,426.00	550.00	3,876.00
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			
22	Notice to pay or quit	12/09/24	Posted	01/21/25	02/11/25	N		N/A	Returned Possession		03/03/25			

481 - Waterman Gardens													
23	R	S		E	742.00	2,355.00		150.00	1,867.92	1,500.00	5,872.92	957.00	4,915.92
											-		-
TOTALS:						2,355.00	-	150.00	1,867.92	1,500.00	5,872.92	957.00	4,915.92
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		
23	Notice to pay or quit	10/15/24	Posted	11/05/24	12/05/24	Y		01/09/25	03/19/25		03/19/25		

481131- Maplewood Scattered Sites													
1	A	D		V	919.00	92.00		-	1,470.00	-	1,562.00	950.00	612.00
TOTALS:						92.00	-	-	1,470.00	-	1,562.00	950.00	612.00
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	N/A	N/A	N/A	N/A	N/A	N/A		N/A	N/A		03/03/25		

481150- Redlands													
1	A	A		V	\$1,050	850.00		100.00	429.00	-	1,379.00	857.00	522.00
TOTALS:						850.00	-	100.00	429.00	-	1,379.00	857.00	522.00
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	Notice to pay or quit	02/21/25	Posted	N/A	N/A	N/A		N/A	N/A		03/10/25		

* Reasons: E=Eviction 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: 03/31/25

481161-Colton													
1	K	K		E	1,354.00	8,216.00			1,469.00	600.00	10,285.00	1,265.00	9,020.00
TOTALS:						8,216.00	-	-	1,469.00	600.00	10,285.00	1,265.00	9,020.00
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	Notice to quit	09/25/24	Posted and mailed	02/05/25	NA	N		NA	NA		03/24/25		

ALL PROPERTY TOTALS:						66,161.71	-	2,733.10	21,471.99	9,250.00	99,616.80	18,664.00	80,952.80
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Submitted by:

Date:

Reviewed by:

Date:

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

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

June 10, 2025

FROM

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

SUBJECT

Collection Losses for Delinquent Accounts of Housing Services Programs through the month of April 2025.

RECOMMENDATION(S)

Approve the write-off of delinquent accounts for the Housing Services Programs as collection losses for the month of April 2025.

(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 write-off of these accounts receivable for April 2025 is \$8,560.00. Each year, the Housing Authority of the County of San Bernardino budgets for these types of write-offs as a provision for bad debt.

BACKGROUND INFORMATION

The Housing Authority of the County of San Bernardino (HACSB or Housing Authority) maintains repayment agreements with participating tenants and collections efforts with landlords. The tenant repayment agreements are the result of unreported income or unauthorized household members, and the landlord collections are typically due to Housing Assistance Payments being paid after an assisted tenant vacated the premises without notice. When a tenant or landlord leaves program participation owing money to HACSB, the Housing Authority continues collection efforts. If collection efforts fail, the debt is referred to the collection agency, and tenant debts are reported to the U.S. Department of Housing and Urban Development's (HUD's) debts owed system. Housing authorities have access to HUD's debts owed system to identify applicants who owe money to other housing authorities. Repayment of the debt is a condition of admission to the program.

As a part of the collection process, Board of Commissioners (Board) approval is needed prior to submitting delinquent accounts to the collection agency on an as needed basis. This is consistent with the procedures followed for vacated tenant accounts for the Authority Owned Portfolio.

All the debts listed are from former program participants where the Housing Authority's efforts to collect the remaining balances were unsuccessful. The total write-off for tenant participants as of April 2025 is \$8,560.00. This figure represents past tenants who entered into repayment agreements but whose balances remain uncollected. These accounts will be referred to a collection agency for further action. Attached is a report that itemizes the individual accounts.

Collection Losses for Delinquent Accounts of Housing Services Programs for the month of April 2025.

June 10, 2025

PROCUREMENT

Not applicable

ITEM ATTACHMENTS

- Attachment 1 – ATT-BOC 061025 Housing Services Collection Loss Report

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 19, 2025.

Housing Authority of the County of San Bernardino
COLLECTION WRITE-OFFS: HOUSING SERVICES PROGRAMS

Former Program Participants

Program	Tenant Code	Last Name	First Name	TPA#	Start Month	Total Repayment Amount	Total Amount Received	Total Remaining	Status	Delinquency Date	Tenant Status
310300 - MTW Program											
310300		J	C	582	Jun-18	\$ 2,416.00	\$ 1,800.00	\$ 616.00	Delinquent	12/2019	Past
310300		J	A	592	Jul-18	\$ 1,811.00	\$ 1,101.00	\$ 710.00	Delinquent	12/2019	Past
310300		J	A	548	Jan-18	\$ 3,060.00	\$ 2,064.00	\$ 996.00	Delinquent	12/2019	Past
310300		P	S	495	Jul-17	\$ 3,603.00	\$ 2,400.00	\$ 1,203.00	Delinquent	12/2018	Past
310300		P	J	630	Dec-18	\$ 1,405.00	\$ 1,323.00	\$ 82.00	Delinquent	12/2019	Past
310300		R	M	599	Sep-18	\$ 2,158.00	\$ 460.00	\$ 1,698.00	Delinquent	12/2019	Past
310300		S	R	633	Dec-18	\$ 2,887.00	\$ 850.00	\$ 2,037.00	Delinquent	12/2020	Past
310300		S	A	561	Mar-18	\$ 1,368.00	\$ 1,311.00	\$ 57.00	Delinquent	12/2019	Past
310300		T	J	626	Jan-19	\$ 1,736.00	\$ 575.00	\$ 1,161.00	Delinquent	12/2020	Past
TOTAL:						\$ 20,444.00	\$ 11,884.00	\$ 8,560.00			

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

June 10, 2025

FROM

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

SUBJECT

Amendment to FY 2024-2025 Utility Allowance Schedules for the Housing Choice Voucher Program

RECOMMENDATION(S)

Adopt Resolution No. 211 amending FY 2024-2025 Utility Allowance Schedules for the Housing Choice Voucher program, effective June 11, 2025.

(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 financial impact is anticipated to be minimal because these allowances only apply to approximately 10% of families served due to HACSB's Moving to Work (MTW) flexibility. Every year, the Housing Authority of the County of San Bernardino (HACSB) considers the changes to the utility allowances which are included in HACSB's 2024-2025 annual budget.

BACKGROUND INFORMATION

On October 8, 2024, HACSB's Board of Commissioners adopted (Item No. 13) Resolution No. 2024-201, approving the utility allowance schedules for the Housing Choice Voucher and Public Housing programs effective November 1, 2024. It was recently discovered that the attachment to the utility allowance schedules for the Housing Choice Voucher program did not contain the updated rates to trash and sewer and reflected the rates of the previous year's schedule. Approval of this item will amend the utility allowance schedules for the HCV program to update the rates for trash and sewer to the increased rate, effective June 11, 2025. The public housing utility allowance schedules were correctly reflected in the October board item and do not require to be amended.

HCV Program Utility Allowance Rates		
	2023-2024 Rates	2024-2025 Rates
Trash	\$40	\$45
Sewer	\$28	\$31

Each year, HACSB conducts analysis to review the annual Utility Allowance Schedules, a requirement per Title 24 of the Code of Federal Regulations section 982.517(c). The purpose of the utility allowances is to offset the cost of tenant-paid utilities and appliances not included in the rental subsidy. The Utility Allowance Schedule is only applicable to families participating in the Family Self-Sufficiency Program and certain Special Purpose Voucher Programs, which equates

Amendment to FY 2024-2025 Utility Allowance Schedules for the Housing Choice Voucher Program
June 10, 2025

to approximately 1,000 households. It does not apply to households in the other Housing Choice Voucher Programs that are not enrolled in the Family Self-Sufficiency program as these households have the utility costs incorporated within their housing subsidy.

The Utility Allowance Schedules are derived using actual current rates from applicable utility companies and energy consumption figures specific to San Bernardino County from a utility allowance tool provided by the United States Department of Housing and Urban Development (HUD).

If any utility rate has changed by 10% or more from the rate upon which the current allowance is based, HACSB is required to update the allowance for that utility. In past years, HACSB reviews and updates all allowances to reflect the current rate at the time of review, regardless of the value of the change. However, for FY 2024-2025 Utility Allowance Schedules, HACSB only updated the rates that changed by 10% or more as a cost reduction measure. In our 2024 review, trash and sewer utility rates increased slightly up to 11% since the 2023 utility allowances were adopted, which required an update. Approval of this item will update the utility allowance schedules for the HCV program with the correct rates for trash and sewer.

HACSB will conduct its annual analysis of the utility allowances and present to the Board of Commissioners applicable updates to the HCV and public housing utility allowance schedules for FY 2025-2026 in September 2025.

PROCUREMENT

Not applicable.

ITEM ATTACHMENTS

- Resolution No. 2025-211
- Amended HCV Utility Allowance Schedules for 2024-2025

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on May 16, 2025.

HOUSING AUTHORITY RESOLUTION NO. 2025-211

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE
COUNTY OF SAN BERNARDINO AMENDING THE UTILITY ALLOWANCE SCHEDULES FOR
THE HOUSING CHOICE VOUCHER PROGRAM EFFECTIVE JUNE 11, 2025**

RECITALS

WHEREAS, the utility allowances relative to the Housing Choice Voucher and Public Housing programs are periodically reviewed; and

WHEREAS, the Housing Authority of the County of San Bernardino (Authority) has conducted the review and has established new revised allowances for the resident, participant, and project-supplied utilities in accordance with current utility consumption and utility rate information.

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 amended FY 2024-2025 Utility Allowance Schedules relative to the Housing Choice Voucher program effective June 11, 2025, a copy of which is attached hereto and incorporated herein by reference.

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:

NOES:

ABSENT:

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

I, _____, Secretary of the Board of Commissioners of the Housing Authority of the County of San Bernardino, hereby certify the foregoing to be a full, true and correct copy of the record of the action taken by the Board of Commissioners, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of Tuesday, June 10, 2025.

Secretary

**Allowances for
Tenant-Furnished Utilities
and Other Services**

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

Locality San Bernardino County	Age mixed	Unit Type Apartment	Date (mm/dd/yyyy) 6/11/2025
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Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Heating	a. Natural Gas	24	28	30	33	37	40	42
	b. Bottle Gas	58	68	73	80	90	97	102
	c. Electric	32	40	53	63	74	84	95
Cooking	a. Natural Gas	4	5	7	9	11	13	14
	b. Bottle Gas	10	12	17	22	27	31	34
	c. Electric	13	16	23	32	44	52	61
Other Electric		51	60	83	107	131	159	180
Air Conditioning		27	33	50	69	85	100	133
Water Heating	a. Natural Gas	9	10	15	21	26	32	34
	b. Bottle Gas	22	24	36	51	63	77	83
	c. Electric	31	36	52	67	82	98	112
Water		47	49	64	87	110	132	149
Sewer		45	45	45	45	45	45	45
Trash Collection		31	31	31	31	31	31	31
Range/Microwave		6	6	6	6	6	6	6
Refrigerator		4	4	4	4	4	4	4
Other - specify		0	0	0	0	0	0	0

Actual Family Allowances to be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service	Monthly Cost
Name of Family		Heating	
		Cooking	
		Other Electric	
Address of Use		Air Conditioning	
		Water Heating	
		Water	
		Sewer	
		Trash Collection	
		Range/Microwave	
Number of Bedrooms		Refrigerator	
		Other	
		Total	\$

Spreadsheet based on form HUD-52667 (4/2023).
ref. Handbook 7420.8

Previous editions are obsolete

Any individual, company, corporation, government agency or organization using these utility allowances shall indemnify, defend, and hold harmless the Housing Authority of the County of San Bernardino, its officers, officials, employees, and volunteers from and against any and all liability, claims, damage, cost, expenses, awards, fines, judgments, and attorney fees (including, without limitation, costs, attorney fees, expert witness fees, and other expenses of litigation) of every nature arising out of or in connection with the use of these utility allowances under any circumstances.

**Allowances for
Tenant-Furnished Utilities
and Other Services**

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

Locality San Bernardino County	Age mixed	Unit Type Detached Houses	Date (mm/dd/yyyy) 6/11/2025
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Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Heating	a. Natural Gas	33	38	43	48	53	58	62
	b. Bottle Gas	80	92	104	116	128	140	151
	c. Electric	73	86	98	110	121	133	151
Cooking	a. Natural Gas	4	5	7	9	11	13	14
	b. Bottle Gas	10	12	17	22	27	31	34
	c. Electric	13	16	27	36	47	56	64
Other Electric		75	88	123	163	204	247	280
Air Conditioning		21	26	68	106	144	182	201
Water Heating	a. Natural Gas	11	13	20	26	33	40	43
	b. Bottle Gas	27	31	48	63	80	97	104
	c. Electric	39	50	69	89	106	122	137
Water		47	49	64	87	110	132	151
Sewer		45	45	45	45	45	45	45
Trash Collection		31	31	31	31	31	31	31
Range/Microwave		6	6	6	6	6	6	6
Refrigerator		4	4	4	4	4	4	4
Other - specify		0	0	0	0	0	0	0

Actual Family Allowances to be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service	Monthly Cost
Name of Family		Heating	
		Cooking	
		Other Electric	
Address of Use		Air Conditioning	
		Water Heating	
		Water	
		Sewer	
		Trash Collection	
		Range/Microwave	
		Refrigerator	
Number of Bedrooms		Other	
		Total	\$

Spreadsheet based on form HUD-52667 (4/2023).

Previous editions are obsolete

ref. Handbook 7420.8

Any individual, company, corporation, government agency or organization using these utility allowances shall indemnify, defend, and hold harmless the Housing Authority of the County of San Bernardino, its officers, officials, employees, and volunteers from and against any and all liability, claims, damage, cost, expenses, awards, fines, judgments, and attorney fees (including, without limitation, costs, attorney fees, expert witness fees, and other expenses of litigation) of every nature arising out of or in connection with the use of these utility allowances under any circumstances.



Housing Choice Voucher Program

**Allowances for
Tenant-Furnished Utilities
and Other Services**

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

Locality San Bernardino County	Age mixed	Unit Type Manufactured homes	Date (mm/dd/yyyy) 6/11/2025
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Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Heating	a. Natural Gas	29	33	37	41	45	50	55
	b. Bottle Gas	70	80	90	99	109	121	132
	c. Electric	80	93	96	98	101	103	115
Cooking	a. Natural Gas	4	5	7	9	11	13	14
	b. Bottle Gas	10	12	17	22	27	31	34
	c. Electric	13	16	27	36	47	56	58
Other Electric		75	88	123	163	204	247	288
Air Conditioning		26	33	63	89	115	142	180
Water Heating	a. Natural Gas	11	13	20	26	33	40	43
	b. Bottle Gas	27	31	48	63	80	97	104
	c. Electric	39	50	69	89	106	122	135
Water		47	49	64	87	110	132	149
Sewer		45	45	45	45	45	45	45
Trash Collection		31	31	31	31	31	31	31
Range/Microwave		6	6	6	6	6	6	6
Refrigerator		4	4	4	4	4	4	4
Other - specify		0	0	0	0	0	0	0

Actual Family Allowances to be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service	Monthly Cost
Name of Family		Heating	
		Cooking	
		Other Electric	
Address of Use		Air Conditioning	
		Water Heating	
		Water	
		Sewer	
		Trash Collection	
		Range/Microwave	
		Refrigerator	
Number of Bedrooms		Other	
		Total	\$

Spreadsheet based on form HUD-52667 (4/2023).
ref. Handbook 7420.8

Previous editions are obsolete

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