

# **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  
July 8, 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](mailto:publiccomment@hacsb.com). Your comments will be placed into the record at the meeting. Efforts will be made to read the comments into the record, but some comments may not be read due to time limitations.

### **CLOSED SESSION**

- 4) 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

### **DISCUSSION CALENDAR**

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

- 5) Receive the Executive Director's Report for July 8, 2025.  
(Page 1)
- 6) Receive the board building presentation for July 8, 2025, an update of the Housing Authority of the County of San Bernardino's 2025 scholarship program.  
(Page 2)
- 7) Receive the annual Human Resources Report on Job Vacancies & Recruitment and Retention Efforts.  
(Pages 3-6)

- 8) Adopt Resolution No. 212 to approve and adopt: a. The Fiscal Year 2025-26 Consolidated Annual Budget including operating transfers in/out. b. The Fiscal Year 2025-26 Public Housing Annual Budget including operating transfers in/out. c. Any changes to the Consolidated Annual Budget or the Public Housing Annual Budget that the Board of Commissioners may direct.  
(Pages 7-13)
- 9) Adopt Resolution No. 213: a. Approving the Housing Authority of the County of San Bernardino's Annual Moving to Work Plan for Fiscal Year 2025-2026. b. Approving the Annual Moving to Work Plan Certifications of Compliance to Regulations with the United States Department of Housing and Urban Development.  
(Pages 14-20)
- 10) Authorize the Executive Director to approve the updated lease agreement with Echo SB, LLC for Echo Apartments located at 505 E. Rialto Ave, San Bernardino, CA.  
(Pages 21-27)
- 11) Approve Amendment No. 1 to Contract No. PC1297, effective October 1, 2025, with Potomac Partners DC increasing the current contract by \$156,000 for a total not to exceed \$624,000 through September 30, 2026.  
(Pages 28-33)
- 12) Approve Contract No. PC1426, effective August 1, 2025, with Reliant Asset Management Solutions for Property Management Services for a two-year base period through July 31, 2027, with three single or multiple year options to extend through July 31, 2030.  
(Pages 34-73)
- 13) Approve a non-financial Memorandum of Understanding with Inland Empire Health Plan to co-locate program services at the Community Wellness Center in Victorville, effective through December 31, 2029.  
(Pages 74-89)
- 14) Approve Memorandum of Understanding with County of San Bernardino Department of Behavioral Health for supportive services for the Mainstream Voucher Program for five years effective September 1, 2025 through August 31, 2030.  
(Pages 90-110)

## **CONSENT CALENDAR**

### APPROVAL OF CONSENT ITEMS: # 15-17

- 15) 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 June 10, 2025.  
(Pages 111-117)
- 16) Approve and file agency-wide financial statements through March 2025.(Pages 118-121)
- 17) Approve the expensing of vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of April 2025.  
(Pages 122-126)
- 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**

**July 8, 2025**

**FROM**

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

**SUBJECT**

**Executive Director's Report for July 8, 2025**

**RECOMMENDATION(S)**

Receive the Executive Director's Report for July 8, 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 June 22, 2025.

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

**July 8, 2025**

**FROM**

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

**SUBJECT**

Board Building Presentation for July 8, 2025

**RECOMMENDATION(S)**

Receive the board building presentation for July 8, 2025, an update of the Housing Authority of the County of San Bernardino's 2025 scholarship program.  
(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 an update of HACSB's 2025 scholarship program.

**PROCUREMENT**

Not applicable.

**ITEM ATTACHMENTS**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 22, 2025.

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

**July 8, 2025**

## **FROM**

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

## **SUBJECT**

**Annual Report on Job Vacancies & Recruitment and Retention Efforts**

## **RECOMMENDATION(S)**

Receive the annual Human Resources Report on Job Vacancies & Recruitment and Retention Efforts.

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

## **STRATEGIC PLAN ALIGNMENT**

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

**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).

## **BACKGROUND INFORMATION**

On September 2, 2024, Assembly Bill 2561 was signed into law with an effective date of January 1, 2025. AB2561 creates a new requirement for Public Agencies to publicly address the status of their employment vacancies. As a basis for the new requirements, the California Legislature determined that employment vacancies are a widespread issue and can be a significant problem in the public sector. Vacancies require employees to take on heavier workloads, resulting in burnout and increased turnover, which could negatively impact the delivery of public service.

AB2561 requires public agencies to report information on job vacancies at a public meeting once per fiscal year as part of the adoption of the annual budget. The report must also address recruitment and retention efforts currently employed by the agency and identify any changes to policies and procedures or recruitment activities that negatively impact the agency's effort to reduce vacancies.

The Human Resources report on Job Vacancies and Recruitment and Retention Efforts presents an update on current position vacancies as of July 1, 2025 as well as the recruitment and retention efforts within the Agency.

## **PROCUREMENT**

Not applicable.

## **ITEM ATTACHMENTS**

- Attachment - 2025 Staff Report

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 27, 2025.



## Assembly Bill 2561 - Report on Vacancies and Recruitment and Retention Efforts

July 8, 2025

### **CURRENT VACANCIES**

Based on the current 2024/2025 approved budget, there are 167 budgeted positions.

As of July 1, 2025, there are 153 current employees which leaves 14 budgeted positions vacant.

The current overall vacancy rate at the Housing Authority is 8.38%.

The 14 current vacant positions include:

- Accounting Specialist
- Administrative Services Specialist (2) (Eligible for representation)
- Assistant Regional Communities Manager
- Executive Assistant
- Facilities Manager
- Financial Analyst
- Jr. Application and Database Administrator
- Maintenance Technician (2) (Eligible for representation)
- Porter (Eligible for representation)
- Project Manager
- Resident Manager (2)

### Vacancies for Represented Positions

Of the 167 budgeted positions, 87 are positions that may be eligible to be represented by Teamsters Local 1932. Currently 66 of those 87 positions are eligible to be represented with 33 current members.

**\*\*It is important to note that based on the Memorandum of Understanding in place with Teamsters Local 1932, employees are eligible to be represented after successfully passing their one-year probationary period and are a full-time employee.**

Of the 87 represented budgeted positions, there are currently 5 positions vacant. These vacant represented positions are noted above. The vacancy rate for represented positions is 5.7%

### **RECRUITMENT ACTIVITY**

Although there are 14 vacant budgeted positions, there are currently 5 open positions with 2 positions pending HR to open. Positions and current recruitment activity are shown below.

- Maintenance Technician (Floating) – Offer pending.
- Porter - Phone interviews started.
- Administrative Services Specialist (2) – Pending 2<sup>nd</sup> interviews on July 8, 2025.

- Facilities Manager – position was posted June 13, 2025, and applications are currently being reviewed.

#### Pending opening

- Maintenance Technician – the previous incumbent retired on June 30, 2025. The position is scheduled to be opened mid-July.
- Resident Manager – pending possible internal transfer prior to opening for correct site.

The remaining 7 budgeted positions are not in the HR recruitment pipeline due to the following reasons:

- Accounting Specialist – pending initiation of requisition
- Assistant Regional Communities Manager – two candidates declined. Application review ongoing.
- Executive Assistant – pending initiation of requisition
- Financial Analyst – pending further review of need
- Jr. Application and Database Administrator – pending further review of need
- Project Manager – pending initiation of requisition
- Resident Manager – pending initiation of requisition

### **RECRUITMENT AND RETENTION EFFORTS**

In alignment with AB 2561 and the Agency's ongoing commitment to workforce stability and operational excellence, Human Resources reclassified its budgeted Human Resources Assistant position to a Talent Acquisition Specialist (TAS) for Fiscal Year 2024–2025. The TAS joined the team on September 30, 2024, and has since played a key role in improving the efficiency of the hiring process, successfully facilitating the timely hire of 18 out of 26 open positions since October 1, 2024.

A key component of strengthening recruitment and retention efforts is the agency's recent compensation study, which is being presented to the board in August 2025 for recommended approval. The study supports compliance with AB 2561 by evaluating and addressing pay disparities, which have impacted the agency's ability to attract and retain qualified candidates. Over the past year, the agency experienced several instances in which candidates withdrew from the recruitment process or declined offers due to compensation limitations, and existing employees left for external opportunities offering higher pay. The study will help ensure our compensation structure is both equitable and competitive.

Consistent with our strategic plan and AB 2561's focus on retention, the agency continues to invest in employee development and workplace culture. Retention initiatives include expanded training and promotional opportunities, enhanced work-life balance practices, and employee engagement activities such as wellness challenges and staff appreciation events.

### **OUTCOMES**

The Agency recommends addressing pay disparities, which have impacted the agency's ability to attract and retain qualified candidates by adopting recommendations presented by the compensation study, within the Agency's budgetary ability.

We have identified that no other substantive changes to policies or recruitment activities are needed at this time.

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

**July 8, 2025**

## **FROM**

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

## **SUBJECT**

**Fiscal Year 2025-2026 Consolidated Annual Budget**

## **RECOMMENDATION(S)**

Adopt Resolution No. 212 to approve and adopt:

- a. The Fiscal Year 2025-26 Consolidated Annual Budget including operating transfers in/out.
- b. The Fiscal Year 2025-26 Public Housing Annual Budget including operating transfers in/out.
- c. Any changes to the Consolidated Annual Budget or the Public Housing Annual Budget that the Board of Commissioners may direct.

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

## **STRATEGIC PLAN ALIGNMENT**

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

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

## **FINANCIAL IMPACT**

The chart below summarizes the HACSB Consolidated Budget for Fiscal Year 2025-2026 (October 1, 2025 - September 30, 2026) into two major funding sources:

1. MTW Block Grant sources include Public Housing Operating Funds; Public Housing Capital Funds; Housing Choice Voucher (HCV) Housing Assistance Payments (HAP); and HCV Administrative Fees.
2. Non-eligible MTW Block Grant funds including local and central office cost center funds, other non-MTW special purpose voucher programs (Continuum of Care, Veterans Affairs Supportive Housing (VASH), and Housing for Persons with AIDS), and the Authority Owned Portfolio.

Approximately 79% of the total revenue is comprised of funds received from HUD to administer the HCV, Public Housing, Emergency Housing Voucher (EHV), Special Purpose Rental Assistance, and the Capital Fund programs. The remaining revenue is derived primarily from rental income from the Authority Owned portfolio and the state pass through grant for the Housing Support Program.

Fiscal Year 2025-26 Annual Budget  
July 8, 2025

**Housing Authority of the County of San Bernardino**  
**FY 2025-2026 Proposed Consolidated Budget**

Moving To Work						FY 2024-2025 Budgeted Net	
Program	Revenue	Expenses	Net			Income	Increase/(Decrease)
MTW Fund	\$ 318,921	\$ 1,042,418	\$ (723,496)			(789,581)	66,084
Public Housing	10,531	4,217	6,314			1,725	4,589
Capital Funds	-	-	-			-	-
Housing Choice Vouchers	174,670,126	182,056,525	(7,386,399)			(6,955,300)	(431,099)
<b>Total Moving To Work</b>	<b>\$ 174,999,578</b>	<b>\$ 183,103,159</b>	<b>\$ (8,103,581)</b>			<b>\$ (7,743,155)</b>	<b>\$ (360,426)</b>

  

Other Programs - Non Moving To Work						FY 2024-2025 Budgeted Net	
Program	Revenue	Expenses	Net			Income	Increase/(Decrease)
Central Office	\$ 6,139,310	\$ 6,114,841	\$ 24,468			(427,179)	451,648
Other Vouchers	27,356,403	28,537,477	(1,181,074)			(894,716)	(286,358)
Authority Owned Portfolio	40,025,302	34,608,199	5,417,102			2,687,171	2,729,932
Local Funds	7,249,264	6,736,874	512,390			(126,538)	638,928
<b>Total Non-Moving To Work</b>	<b>\$ 80,770,278</b>	<b>\$ 75,997,392</b>	<b>\$ 4,772,887</b>			<b>1,238,737</b>	<b>\$ 3,534,149</b>
<b>Grand Totals</b>	<b>\$ 255,769,856</b>	<b>\$ 259,100,551</b>	<b>\$ (3,330,695)</b>			<b>(6,504,418)</b>	<b>3,173,724</b>

  

Special Programs Reserve Drawdown <Buildup>	(389,360)	894,716	(1,284,076)
Reserve Drawdown/< Buildup>-MTW:	8,103,581	7,743,155	360,426
Reserve Drawdown/< Buildup>-Special Programs	1,573,834		1,573,834
Portfolio Sustainability Reserves Drawdown/(Buildup)	(5,957,361)	(2,133,453)	(3,823,907)
<b>Adjusted Residual Profit:</b>	<b>-</b>	<b>-</b>	<b>-</b>

**DESCRIPTION OF MAJOR CHANGES IN 2025-2026:**

In comparison to the prior fiscal year's budget, total income has increased by over \$15.4 million; however, total expenses increased by \$12.3 million for a total increase in net income of \$3.2. The most significant changes occurred in the MTW HCV program and the Authority Owned Portfolio. It is important to note that the net income in the MTW HCV program is specifically tied to Housing Assistance Payment (HAP) funding. These funds are held with HUD as restricted reserves for housing assistance payments in compliance with the federal HCV program.

**MTW PROGRAMS:**

The primary increase in revenue is due to an increase in HAP subsidy funding for the calendar year (CY) 2025. For CY 2025, HACSB received an inflationary rate of 14%.

Even though the higher than usual inflation rate in CY 2025 provided additional HAP funding, we continue to see and expect continued increases in the HAP per unit costs in the upcoming fiscal year. Historically, the HAP annual inflation factor does not provide sufficient funding to cover the increasing costs; and unfortunately, receiving an annual inflation factor by HUD is not guaranteed, which if not, exacerbates the loss in funding if rental rates continue to rise. Because of this, the Authority views the inflationary rate received for CY 2025 as a "one-time" occurrence to the HCV MTW program. A 10% cut has been factored in for CY 2026. The continued increase in per unit costs has contributed to a net loss in the MTW budget in the amount of \$7.7 million, which will be covered by a reserve drawdown from the HUD held restricted HAP reserves. This request is included in the FY 2026 MTW Annual Plan to HUD.

As a result of continued funding cuts to administrative fees for the HCV program, and due to increasing costs, we are continuously challenged in providing a balanced budget for the HCV administrative budget. The calendar year 2025 funding cut percentage was 10%, resulting in \$2.6 million less in appropriated funding. Despite the cut, because of efficient budgeting by the Housing Services Department, the budget includes an expected net gain of \$357 thousand in the administration budget for the HCV program, which will be used to offset expected future year net losses.

In addition, pension costs and other post-employment benefits (OPEB) continue to rise. The unfunded liability for the Authority's pension fund is over \$25 million and the pension costs for FY 2025 are estimated to be \$3.6 million (net of interest, costs, and income from investments). To offset expected future annual increases in the pension costs and lower the unfunded liability in the MTW program, it is important to continue to consider funding our pension trust fund when possible.

Increases in personnel costs are projected at approximately \$753 thousand due to increasing costs in salaries and benefits (excluding pension costs). This increase is due to an increase in salaries related to annual merit increases and a market salary adjustment to account for unprecedented inflation-related costs. More information will be shared at the board meeting in regards to the compensation study recommendations from the consultant.

#### NON-MTW PROGRAMS:

The non-MTW programs budget includes a total net income of \$4.8 million, which is largely due to an increase in rental income and grant income for special purpose vouchers, including the EHV program, VASH and Mainstream vouchers.

Below are some of the significant budgeted items in these programs:

- \$38.5 million in Rental Income. This is an expected increase of \$4.1 million compared to the prior year's budget.
- \$3.5 million in anticipated extraordinary maintenance expenses needed for repair and replacement work at many authority-owned housing developments. This is a decrease of \$2.9 million when compared to the prior year's budget, which is primarily due to a decrease in the Physical Needs Assessment work required within this fiscal year. The work is cyclical based on recommendations from the multi-year needs assessments. This maintenance work is primarily funded by operational property income.
- \$17.5 million in salaries and benefits. This is an increase of approximately \$2 million when compared to the prior year's budget. This increase is primarily due to the addition of positions (as shared in the budget presentation); annual merit increases and a market salary adjustment to account for inflation-related costs based on the third-party compensation study.

#### CONCLUSION:

Despite increases in costs across all rental assistance programs, we are recommending for approval a balanced budget, which includes the following:

- Funding for all families on HACSB's rental assistance programs to continue receiving housing assistance, except for families exiting the Term-Limited Lease Assistance (TLA) program and the Emergency Housing Voucher program.

- Funding for repair and replacement capital needs for our Authority-Owned developments and our administrative office buildings.
- Funding for our Family Empowerment Services department to continue to achieve positive outcomes that result in career-abled families prospering and transitioning through the agency's TLA and Family Self-Sufficiency programs.
- Maintenance of adequate reserve levels within our MTW and non-MTW programs.

We will continue our advocacy efforts to ensure that our elected officials are aware of the impacts that funding cuts, specifically for our rental assistance programs, and increased program costs are having on our agency, but most importantly on the families that we serve. Simultaneously, as good stewards of taxpayer dollars, we will continue to be prudent in our spending.

Adoption of the Fiscal Year 2025-2026 agency-wide budget as shown is recommended.

### **BACKGROUND INFORMATION**

Each year, the annual budget for the following fiscal year is brought to the Board of Commissioners for recommended approval. The budget is the opportunity for the board to review and approve the strategic spending plan for the Housing Authority of the County of San Bernardino (HACSB). The Fiscal Year (FY) 2025-2026 budget for HACSB is being presented for recommended approval. This proposed budget continues to support the vision and mission of the agency and is in line with its Strategic Plan and Moving to Work (MTW) Annual Plan which is approved by the United States Department of Housing and Urban Development (HUD) each year. Despite increases in costs across all rental assistance programs due to rising rental rates, we are recommending for approval a balanced budget. The balanced budget was primarily achieved by utilizing the MTW HUD Held Reserves (HHR), which is reflected in the budget to help offset the difference between the annual funding and annual expenses related to rental assistance payments.

### **PROCUREMENT**

Not applicable.

### **ITEM ATTACHMENTS**

- Exhibit A – FY 2025-2026 Consolidated Annual Budget and FY 2025-2026 Public Housing Annual Budget
- Attachment – Resolution No. 2025-212

### **REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 22, 2025.

Exhibit A

FY 2025-2026 Consolidated Annual Budget

	Moving to Work							Administration	Other Programs - Non Moving to Work					HACSB
	HOUSING SERVICES													
MTW Fund	Affordable Housing	Capital Funds	Administration	Housing Assistance Payments	Total Housing Services	Total	Other Vouchers	Authority Owned	Local Funds	Total	Total			
INCOME														
Grants	-	3,168	-		148,613,491	148,613,491	148,616,659	-	25,391,202	-	5,548,000	30,939,202	179,555,861	
Administrative Fees	-	-		25,723,447		25,723,447	25,723,447	5,684,618	1,961,801	4,270	-	1,966,071	33,374,136	
Rental Income	-	7,363	-			-	7,363	-	-	38,452,286	-	38,452,286	38,459,649	
Developer Fee	-	-	-			-	-	-	-	475,000	-	475,000	475,000	
Investment Income	132,915	-	-			-	132,915	-	-	65,519	237,320	302,839	435,754	
Residual Receipt/Partnership Contribution	-	-	-			-	-	-	-	-	1,207,419	1,207,419	1,207,419	
Interest Income	186,006	-	-	50,000		50,000	236,006	2,623	3,400	859,068	146,496	1,008,964	1,247,593	
Fees for Service revenues	-	-	-	-		-	-	452,069	-	-	-	-	452,069	
Miscellaneous Income	-	-	-	283,188		283,188	283,188	-	-	169,159	110,028	279,187	562,375	
TOTAL INCOME	318,921	10,531	-	26,056,635	148,613,491	174,670,126	174,999,578	6,139,310	27,356,403	40,025,302	7,249,264	74,630,968	255,769,856	
EXPENSES														
Administrative Salaries	736,675	-	-	7,158,089		7,158,089	7,894,764	5,123,083	372,200	6,878,868	803,932	8,055,000	21,072,846	
Administrative Expenses	270,874	1,597	-	5,513,935		5,513,935	5,786,406	691,863	914,631	5,609,528	566,860	7,091,019	13,569,289	
Total Tenant Services	5,450	-	-		31,200	31,200	36,650	-	50,000	82,460	17,500	149,960	186,610	
Total Grant Specific Expenses	-	-	-		-	-	-	-	-	-	5,218,000	5,218,000	5,218,000	
Utilities	3,625	-	-	107,664		107,664	111,289	67,200	-	4,846,199	-	4,846,199	5,024,688	
O & M Labor Costs	-	50	-			-	50	-	-	4,269,878	8,850	4,278,728	4,278,778	
O&M Materials	-	750	-	37,115		37,115	37,865	9,500	-	1,237,478	-	1,237,478	1,284,843	
O&M Contracts	7,568	650	-	760,275		760,275	768,494	100,900	-	3,819,798	80,911	3,900,709	4,770,102	
General Expenses	16,644	1,170	-	261,192		261,192	279,006	90,428	235,610	2,343,511	39,707	2,618,828	2,988,262	
Debt Service Interest	1,581	-	-	18,978		18,978	20,559	7,867	-	2,067,666	1,114	2,068,780	2,097,206	
Extraordinary Maintenance	-	-	-	259,990		259,990	259,990	24,000	-	3,452,814	-	3,452,814	3,736,804	
Depreciation	-	-	-	-		-	-	-	-	-	-	-	-	
Housing Assistance Payments	-	-	-	11,582,000	156,326,087	167,908,087	167,908,087	-	26,965,036	-	-	26,965,036	194,873,123	
TOTAL EXPENSES	1,042,418	4,217	-	25,699,238	156,357,287	182,056,525	183,103,159	6,114,841	28,537,477	34,608,199	6,736,874	69,882,550	259,100,551	
RESIDUAL RECEIPTS/(DEF)	(723,496)	6,314	-	357,397	(7,743,796)	(7,386,399)	(8,103,581)	24,468	(1,181,074)	5,417,102	512,390	4,748,418	(3,330,695)	
Operating Transfer In - Subsidy	174,340,106	(3,146)	-			181,723,337	356,060,297			-	-	-	356,060,297	
Operating Transfer Out - Subsidy	(181,720,191)	(3,168)	-			(174,336,938)	(356,060,297)	-	-	-	-	-	(356,060,297)	
Operating Transfer In - General											3,400	3,400	3,400	
Operating Transfer Out - General									(3,400)			(3,400)	(3,400)	
RAD Required Replacement Reserve	-	-				-	-	-	-	-	-	-	-	
Portfolio Sustainability Reserves Drawdown/(Buildup)						-	-	(24,468)	-	(5,417,102)	(515,790)	(5,932,892)	(5,957,361)	
HUD Reserve Drawdown/(Buildup) NET	8,103,581					-	8,103,581		1,573,834			1,573,834	9,677,415	
Reserve Drawdown/(Buildup) - Non MTW	-	-	-			-	-	-	(389,360)	-	-	(389,360)	(389,360)	
Net Income/(Loss)	-	-	-			-	-	-	-	-	-	-	-	

# FY 2025-2026 Public Housing Annual Budget

	UHA 204142	AMP 205	AMP 206	Affordable Housing AMP 207	AMP 208	AMP 209	Total
<b>INCOME</b>							
Grants	-				3,168	-	3,168
Administrative Fees					-	-	-
Rental Income	-				7,363	-	7,363
Repayment Agreement Income	-				-	-	-
Investment Income	-				-	-	-
Residual Receipt/Partnership Contribu	-				-	-	-
Interest Income	-				-	-	-
Miscellaneous Income	-				-	-	-
<b>TOTAL INCOME</b>	-	-	-	-	<b>10,531</b>	-	<b>10,531</b>
<b>EXPENSES</b>							
Administrative Salaries	-				-	-	-
Administrative Expenses	-				1,597	-	1,597
Total Tenant Services	-				-	-	-
Total Grant Specific Expenses	-				-	-	-
Utilities	-				-	-	-
O & M Labor Costs	-				50	-	50
O&M Materials	-				750	-	750
O&M Contracts	-				650	-	650
General Expenses	-				1,170	-	1,170
Debt Service Interest	-				-	-	-
Extraordinary Maintenance	-				-	-	-
Depreciation	-				-	-	-
Housing Assistance Payments	-	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	-	-	-	-	<b>4,217</b>	-	<b>4,217</b>
<b>RESIDUAL RECEIPTS/(DEF)</b>	-	-	-	-	<b>6,314</b>	-	<b>6,314</b>
Operating Transfer In - Subsidy	-	-	-	-	(3,146)	-	(3,146)
Operating Transfer Out - Subsidy	-	-	-	-	(3,168)	-	(3,168)
<b>Net Income/(Loss)</b>	-	-	-	-	-	-	-

## HOUSING AUTHORITY RESOLUTION NO. 2025-212

### A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO APPROVING THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO'S FISCAL YEAR 2025-26 CONSOLIDATED ANNUAL BUDGET

#### RECITALS

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

**WHEREAS**, the Housing Authority of the County of San Bernardino administers a variety of local, State and Federal Programs in pursuit of its mission; and

**WHEREAS**, the Housing Authority of the County of San Bernardino operates the Public Housing, Housing Choice Voucher, and related programs authorized by the United States Department of Housing and Urban Development (HUD); and

**WHEREAS**, attached as Exhibit A is the Consolidated Annual Budget, including the Public Housing Annual Budget, that has been prepared in accordance with and is consistent with all applicable laws and guidelines;

#### OPERATIVE PROVISIONS

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

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

Section 2. The Board of Commissioners hereby approves the proposed Fiscal Year 2025-26 Consolidated Annual Budget including the Public Housing Annual Budget attached as Exhibit A.

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

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

AYES: COMMISSIONER:

NOES: COMMISSIONER:

ABSENT: COMMISSIONER:

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

I, \_\_\_\_\_, Secretary of the Board of Commissioners of the Housing Authority of the County of San Bernardino, hereby certify the foregoing to be a full, true and correct copy of the record of the action taken by the Board of Commissioners, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of Tuesday, July 8, 2025.

\_\_\_\_\_  
Secretary

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

**July 8, 2025**

## **FROM**

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

## **SUBJECT**

**Fiscal Year 2025-2026 Annual Moving to Work Plan**

## **RECOMMENDATION(S)**

**Adopt Resolution No. 213:**

- a. Approving the Housing Authority of the County of San Bernardino's Annual Moving to Work Plan for Fiscal Year 2025-2026.
- b. Approving the Annual Moving to Work Plan Certifications of Compliance to Regulations with the United States Department of Housing and Urban Development.

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

## **FINANCIAL IMPACT**

Approval of the proposed resolution will not have a significant direct financial impact on the Housing Authority of the County of San Bernardino (HACSB). Sufficient budget authority to perform the tasks related to this action has been included in the HACSB Fiscal Year 2025-2026 annual budget and will be included in subsequent fiscal year budgets.

## **BACKGROUND INFORMATION**

On March 14, 2008, HACSB was designated by the United States Department of Housing and Urban Development (HUD) as a Moving to Work (MTW) agency. The objectives of the MTW designation are to achieve greater cost effectiveness, provide incentives to families working toward self-sufficiency, and increase housing choices for low-income families. To accomplish these objectives, the MTW designation allows Public Housing Authorities (PHA) to develop and implement programs to design and test innovative local housing and self-sufficiency initiatives by waiving certain statutes and HUD regulations. In accordance with the MTW Agreement which outlines the requirements and authorizations of the MTW designation, each year HACSB is required to prepare and submit an Annual MTW Plan that describes previously approved, proposed and/or revised MTW activities for the coming year, as well as other related information.

The proposed 2025-2026 Annual MTW Plan (Plan) includes information regarding 30 previously approved MTW activities. Activities are defined as HUD-approved initiatives developed and

adopted by HACSB via its MTW designation that a traditional Housing Authority cannot implement.

HACSB MTW activities are listed below:

<b>No.</b>	<b>Activity Name</b>	<b>Plan Year</b>	<b>Status</b>
1	Single Fund Budget	2009	Ongoing
2	Strategic Investment Policies	2009	Closed Out
3	Alternate Assessment Program	2009	On Hold
4	Biennial and Triennial Re-Certifications	2009	Ongoing
5	Simplified Income Determination (formerly Local Verification Policies)	2009	Ongoing
6	Elimination of Assets	2009	Closed Out
7	Controlled Program Moves	2009	Closed Out
8	Local Policies for Portability	2009	Ongoing
9	Elimination of Earned Income Disallowance	2009	Closed Out
10	Minimum Rent	2009	Ongoing
11	Local Project Based Voucher Program	2009	Ongoing
12	Local Payment Standards	2009	Ongoing
13	Local Inspection Policies	2010	Ongoing
14	Local Asset Management Program	2010	Ongoing
15	Pilot Work Requirement	2010	Closed Out
16	Operating Subsidy for Vista del Sol	2010	Closed Out
17	Local Income Inclusions	2011	Closed Out
18	Property Management Innovation	2011	Ongoing
19	Pilot Local FSS Program	2011	Closed Out
20	Term-Limited Lease Assistance Program	2011	Ongoing
21	Utility Allowance Reform	2012	Closed Out
22	Streamlined Lease Assistance Program	2013	Ongoing
23	No Child Left Unsheltered	2014	Ongoing
24	Transition for Over Income Public Housing/Housing Choice Voucher Families	2014	Ongoing
25	Project-Based Voucher Flexibility for Horizons Yucaipa Senior Housing	2016	Ongoing
26	Local Disaster Short-Term Rental Assistance Program	2017	Ongoing
27	Local Project-Based Voucher Subsidy for Developments Using Tax Credit Rents	2019	Ongoing
28	Leasing Success Strategies	2022	Ongoing
29	Moving On Strategy	2023	Ongoing
30	Valencia Grove Phase II, Affordable Rent Strategy	2024	Closed Out

HACSB is not proposing any new activities through this Plan, however, the Plan does include a few updates to the following existing MTW activities:

Activity #11 – Local Project-Based Voucher Program: HACSB has added language to document the implementation of a cap on Housing Assistance Payments (HAP) for Rental Assistance Demonstration (RAD) developments, as well as to establish a project-based voucher (PBV) waitlist preference for households assisted under the Emergency Housing Voucher (EHV) program. Additionally, language was added to expand the flexibility for alternative occupancy standards to apply to EHV participants due to the sunset of the program. This modification will allow EHV households to lease PBV units that are up to one bedroom larger than the household would otherwise be eligible for based on the number of households members.

Activity #12 – Local Payment Standards: HACSB is proposing to establish an exception payment standard for disabled households with an approved reasonable accommodation. This applies to households in programs that utilize the Local Payment Standards (LPS), including Veterans Assistance Supportive Housing (VASH) households. For non-VASH households, the proposed exception payment standard would be the greater of either 120% of the Fair Market Rent (FMR) or 120% of the LPS. For VASH households, the exception payment standard would be the greater of 140% of the FMR or 140% of the LPS.

Other changes in the Plan include documenting HACSB's authority to waive independent entity requirements for PHA-owned units. Also included in the Plan, is a copy of the Restore-Rebuild (Formerly known as Faircloth to RAD) conversion plan for Arrowhead Grove Phase IV.

This item includes the HUD-required Certifications of Compliance, which authorizes HACSB to submit the Annual MTW Plan to HUD and certifies that HACSB has complied or will comply with requirements related to the submission and implementation of the Plan, including public notice requirements, Civil Rights Act and Fair Housing Act requirements, records retention, and other requirements. It also includes a Board Resolution to accompany the 2025-2026 Annual Moving to Work Plan.

A legal notice regarding the Plan was published in seven local newspapers on May 28 and May 29, 2025. The notice and the proposed plan were also made available on HACSB's website and at all HACSB offices throughout San Bernardino County beginning May 28, 2025. The required public comment period ran from May 28, 2025, to June 27, 2025, and two public hearings on the matter were held. In-person hearings were held on June 10, 2025, at 10:00 a.m. and June 12, 2025, at 1:00 p.m. No members of the public attended the public hearings, and no public comments were received. On June 3, 2025, the proposed plan was presented to HACSB's Resident Advisory Board where no additional questions or feedback was provided.

A complete copy of the 2025-2026 Annual MTW Plan can be found at <https://hacsb.com/moving-to-work/>.

#### **PROCUREMENT**

Not applicable.

#### **ITEM ATTACHMENTS**

- Resolution No. 2025-212
- Certification of Compliance

#### **REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 22, 2025.

## **HOUSING AUTHORITY RESOLUTION NO. 2025-213**

### **A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO APPROVING THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO'S ANNUAL MOVING TO WORK PLAN FOR FISCAL YEAR 2025-2026**

#### **RECITALS**

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

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

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

**WHEREAS**, the HACSB desires to modify certain previously approved MTW activities; and

**WHEREAS**, the HACSB has developed its Fiscal Year 2025-2026 Annual MTW Plan, to include the proposed modifications to those MTW activities and in accordance with HUD requirements.

#### **OPERATIVE PROVISIONS**

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

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

Section 2. The Board of Commissioners hereby approves the proposed Fiscal Year 2025-2026 HACSB Annual MTW Plan, on July 8, 2025.

Section 3. A complete copy of the 2025-2026 Annual MTW Plan can be found at <https://hacsb.com/moving-to-work/>.

Section 4. The Board of Commissioners hereby approves the HUD-required Certifications of Compliance with Regulations form authorizing HACSB to submit the proposed Fiscal Year 2025-2026 Annual MTW Plan to HUD and certifies that HACSB has complied or will comply with requirements related to the submission and implementation of the Plan.

Section 5. 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, July 8, 2025.

\_\_\_\_\_  
Secretary

**CERTIFICATIONS OF COMPLIANCE**

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**OFFICE OF PUBLIC AND INDIAN HOUSING**  
**Certifications of Compliance with Regulations:**  
**Board Resolution to Accompany the Annual Moving to Work Plan**

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chair or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the MTW PHA Plan Year beginning (10/01/2025), hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

- (1) The MTW PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the MTW PHA conducted a public hearing to discuss the Plan and invited public comment.
- (2) The MTW PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
- (3) The MTW PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1 (or successor form as required by HUD).
- (4) The MTW PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964 (42 USC 2000d-1), the Fair Housing Act (42 USC 3601 et seq.), section 504 of the Rehabilitation Act of 1973 (29 USC 794), title II of the Americans with Disabilities Act of 1990 (42 USC 12131 et seq.), the Violence Against Women Act (34 USC 12291 et seq.), all regulations implementing these authorities; and other applicable Federal, State, and local fair housing and civil rights laws.
- (5) The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
- (6) The Plan contains a signed certification by the appropriate State or local official (form HUD-50077-SL) that the Plan is consistent with the applicable Consolidated Plan, which includes any applicable fair housing goals or strategies, for the PHA's jurisdiction and a description of the way the PHA Plan is consistent with the applicable Consolidated Plan (24 CFR §§ 91.2, 91.225, 91.325, and 91.425).
- (7) The MTW PHA will affirmatively further fair housing in compliance with the Fair Housing Act, 24 CFR 5.150 et. seq, 24 CFR 903.7(o), and 24 CFR 903.15, which means that it will take meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing requires meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially or ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws (24 CFR 5.151). The MTW PHA certifies that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing.
- (8) The MTW PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975 and HUD's implementing regulations at 24 C.F.R. Part 146.
- (9) In accordance with the Fair Housing Act and Act's prohibition on sex discrimination, which includes sexual orientation and gender identity, and 24 CFR 5.105(a)( 2), HUD's Equal Access Rule, the MTW PHA will not base a determination of eligibility for housing based on actual or perceived sexual orientation, gender identity, or marital status and will not otherwise discriminate because of sex (including sexual orientation and gender identity), will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing
- (10) The MTW PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
- (11) The MTW PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 75.
- (12) The MTW PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.

- (13) The MTW PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment, 31 U.S.C. § 1352.
- (14) The MTW PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
- (15) The MTW PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
- (16) The MTW PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the MTW PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
- (17) With respect to public housing and applicable local, non-traditional development the MTW PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
- (18) The MTW PHA will keep records in accordance with 2 CFR 200.334 and facilitate an effective audit to determine compliance with program requirements.
- (19) The MTW PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
- (20) The MTW PHA will comply with the policies, guidelines, and requirements of 2 CFR Part 225 (Cost Principles for State, Local and Indian Tribal Governments) and 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), as applicable.
- (21) The MTW PHA must fulfill its responsibilities to comply with and ensure enforcement of Housing Quality Standards, as defined in 24 CFR Part 982 or as approved by HUD, for any Housing Choice Voucher units under administration.
- (22) The MTW PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
- (23) All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the MTW PHA in its Plan and will continue to be made available at least at the primary business office of the MTW PHA and should be made available electronically, upon request.

Housing Authority of the County of San Bernardino

CA019

**MTW PHA NAME****MTW PHA NUMBER/PHA CODE**

*I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802).*

Beau Cooper

Board Chair

**NAME OF AUTHORIZED OFFICIAL****TITLE****SIGNATURE****DATE**

**\* Must be signed by either the Chair or Secretary of the Board of the MTW PHA's legislative body. This certification cannot be signed by an employee unless authorized by the MTW PHA Board to do so. If this document is not signed by the Chair or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.**

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

**July 8, 2025**

## **FROM**

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

## **SUBJECT**

**Updated Long-Term Lease Agreement for Echo Apartments**

## **RECOMMENDATION(S)**

Authorize the Executive Director to approve the updated lease agreement with Echo SB, LLC for Echo Apartments located at 505 E. Rialto Ave, San Bernardino, CA.  
(Presenter: Maria Razo, Executive Director, 332-6305)

## **STRATEGIC PLAN ALIGNMENT**

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

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

## **FINANCIAL IMPACT**

The cost of the lease agreement is projected to be funded through income generated through the property's operations. The updated Exhibit D (attached) has been deemed sufficient and conforms to the pro-forma used for underwriting the transaction. Exhibit D will provide a financial benefit to HACSB to facilitate any recapitalization of the property.

## **BACKGROUND INFORMATION**

The Housing Authority of the County of San Bernardino (HACSB) received retroactive approval for the lease for Echo Apartments at the May 2025 board meeting. At that board meeting it was stated in the board memo that HACSB would be provided with \$1,025,160 in reserve funds at the inception of the lease. However, it has been recently discovered by the Aspen Group that one of the reserve line items was duplicative and excess reserves were committed. As such, the Aspen Group is requesting that Exhibit D of the lease be amended to update the reserves provided to HACSB. Staff have analyzed this change and confirmed it reconciles to the pro-forma that was used to underwrite this transaction. The updated total reserves being provided will be \$775,132. All references to reserves in the body of the lease will be updated as well to account for this change.

Furthermore, since the property is being financed via a combination of traditional debt and the purchase of U.S. Treasury STRIPS (Separate Trading of Interest and Principal Securities), HACSB is requesting to amend the lease to ensure the residual STRIPS at the time of engaging the call option transition to HACSB's ownership.

## **PROCUREMENT**

Not applicable.

## **ITEM ATTACHMENTS**

- Attachment - Amendment to Echo Lease Agreement

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 25, 2025.

**LEASE**

Between

**ECHO SB, LLC**  
as Lessor

and

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

Dated: \_\_\_\_\_, 2025

*Concerning the premises located at:*

*505 East Rialto Avenue, San Bernardino, California 92408*

THIS LEASE, made and entered into on \_\_\_\_\_, 2025 (together with all amendments and supplements hereto, this “**Lease**”), is entered into by and between **ECHO SB, LLC** (“**Lessor**”), a Wyoming limited liability company with its address at P.O. Box 2375, Aspen, CO 81612 and the **HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO**, a local government public agency corporate and politic (“**Lessee**”) with its office at 715 East Brier Drive, San Bernardino, CA 92408.

This is a lease of the premises owned by Lessor and located at 505 East Rialto Avenue, San Bernardino, California 92408.

In consideration of all of the mutual promises and covenants set forth herein, Lessor and Lessee agree as follows:

Lessor hereby leases the Premises (as defined below) to Lessee on and subject to the terms and conditions herein set forth and in this Lease.

## 1. DEFINITIONS, CONSENTS AND CALCULATIONS

1.1 **Defined Terms.** The following terms shall have the following meanings for all purposes of this Lease and shall be equally applicable to both the singular and plural forms of the terms herein defined.

(u) “**Lease Payment/Operating Expense Reserve**” shall mean the amount paid by Lessor to Lessee on the Commencement Date equal to \$310,996 for use by Lessee in its sole discretion, including to cover rent payment shortfalls by sublessees of individual units within the Buildings or for any other purposes determined by Lessee in its sole discretion, as shown on Exhibit D.

(ss) “**STRIPS**” shall have the meaning given to that term in Section 3.1.

(tt) “**Superior Mortgage**” shall have the meaning given to that term in Section 15.1(a).

(uu) “**Subordination Agreement**” shall have the meaning given to that term in Section 15.1(a).

(~~uu~~vv) “**Term**” shall mean the period beginning on the Effective Date and ending on the Lease Expiration Date or such earlier Termination Date or end date of the Lease, including but not limited to the end date pursuant to Section 3.2.

(~~vv~~ww) “**Termination Date**” has the meaning given to such term in Section 12.3(a).

(~~ww~~xx) “**Three (3) Bedroom Buydown Reserve**” shall mean the amount paid by Lessor to Lessee on the Commencement Date equal to \$125,542 for use by Lessee in its sole discretion, including towards the unit gap between proforma rents and existing rent, as set forth on Exhibit D.

~~(xx) “**Working Capital Reserve Account**” shall mean the amount paid by Lessor to Lessee at the Commencement Date, equal to \$250,022. Said amount shall provide for a Working Capital Reserve Account to be used by Lessee in its sole discretion, including for any operating deficits experienced during the term of this Lease, as shown on Exhibit D.~~

3. TERM. The Term shall be for a period beginning on the Effective Date and ending on the Lease Expiration Date, or such earlier or later date as hereinafter provided, including upon Lessee's exercise of the Option to Call.

3.1 Lessee's Equity. It is the intent of Lessor to donate the Premises upon the payoff of Lessor's First Mortgage on or before the expiration of the Term. So long as Lessee is not in default hereunder and has made all required payments under this Lease, Lessee shall have the right to purchase the Premises for an amount necessary to transfer the Premises to the Lessee, including all amounts payable under Lessor's First Mortgage (principal and interest to date), upon which Lessor shall transfer and convey the same to Lessee. The parties agree that Lessee shall be financially responsible for all costs incurred with any such transfer, including, but not limited to, yield maintenance defeasance, Mortgagee fees, reasonable legal fees, refinance, broker fees, title, taxes, closing costs, fees described in Section 4(b), etc. During the Term of this Lease, and contingent upon Lessee's performance thereunder, Lessee shall be granted a non-participating, passive, non-voting equity interest in the Premises which shall have no voting, consent or approval rights whatsoever ("Lessee's Equity") at the rate of 2.5% per annum over the entirety of the Term, which interest shall include, but not be limited to, Lessee's interest (but without any obligation) in any U.S. Treasury Separate Trading of Registered Interest and Principal of Securities ("STRIPS") which are held as assets of the Premises or associated with the Premises' ownership structure. Such interest shall include all rights, title and interest in the STRIPS in proportion to Lessee's Equity interest in the Premises, including any accrued interest or principal payments due as of the date of any assignment of the STRIPS, subject to the terms and conditions of this Lease. Lessor shall provide, at Lessee's request, a detailed schedule of any such STRIPS, including their CUSIP numbers, maturity dates and current market value, within 10 Business Days of Lessee's written request. Any assignment of the STRIPS shall be executed in accordance with applicable laws and regulations governing the transfer of U.S. Treasury securities, including any requirements for delivery through the U.S. Treasury's book-entry system or other designated transfer mechanisms. Lessee's Equity shall vest on the Commencement Date and thereafter at the beginning of each Lease Year for such period's granted equity at the rate of 2.5% per annum; however, in the event of any uncured Event of Default hereunder after the expiration of all applicable cure periods as set forth in Section 13.1, Lessee shall forfeit its remaining unrealized Lessee's Equity to Lessor, and Lessor's obligation to transfer the Premises under this Lease shall terminate. Lessee shall be entitled to receive proceeds from any subsequent sale of the Premises, including assignment of the STRIPS, in proportion to Lessee's Equity at the time of the occurrence of the Event of Default. Lessee's Equity shall be fully vested and debt-free to Lessee at the end of the Term and Lessor shall execute and provide to Lessee a grant deed turning over all right, title and interest in and to the Premises to Lessee at such time without further obligation of Lessee to make any payment or take further action to be fully vested therein other than complete documentation to accomplish such transfer. Lessor shall take all actions to assure full transfer of all of its right, title and interest in and to the Premises debt-free, including, if applicable at the time, the STRIPS, to Lessee is accomplished by the end of the Term. Lessor hereby acknowledges and hereby agrees that its obligation to accomplish such transfer by the end of the Term is a material inducement to Lessee in entering into this Lease and any breach of such obligation shall entitle Lessee to seek all available remedies at law or equity to compel Lessor to transfer the Premises and the STRIPS as required herein and recover all damages, costs and attorneys' fees incurred as a result thereof. Notwithstanding anything herein to the contrary, Lessor shall be entitled to ownership of and claim to all depreciation and tax items related to the Premises regardless of Lessee's Equity. Any acquisition of Lessee's Equity or the Premises shall be without representation or warranty of any kind and without recourse to Lessor.

3.2 Option to Call. Lessee shall have the Option to Call on Lessor to donate/transfer all of Lessor's right, title and interest in and to the Premises debt-free to Lessee concurrently with Lessee's payment of any then outstanding ~~all~~ amounts due under this Lease so that the Rent is current as of the effective date of Lessee's exercise of the Option to Call and First Mortgage as noted in Sections 3.1 and 4(b) and any and all other amounts necessary to complete such transfer. The parties agree that Lessee shall be financially responsible for all costs incurred with any such transfer, including, but not limited to, yield maintenance defeasance, Mortgagee fees, reasonable legal fees, refinance, broker fees, title, taxes, closing costs, fees described in Section 4(b), etc. Notwithstanding anything to the contrary set forth in this Lease, in the event that Lessee exercises the Option to Call, all interests in the STRIPS shall be transferred to Lessee at the time of exercise.

3.3 Retention of Sale Proceeds. Notwithstanding anything to the contrary set forth herein: (a) in the event of Lessor's sale of the Premises, Lessee shall retain all sale proceeds and STRIPS in excess of: (1) the amount of Fixed Rent due hereunder and any Additional Rent due at the time of the closing of the sale (including as Additional Rent all costs of transferring title to the Premises, such as, without limitation, all transfer and conveyance taxes and recording fees); and (2) all other amounts due to Mortgagees; and (b) in the event of the refinancing of a Mortgage, Lessee shall retain any cash flow savings distributed as a result of such refinancing; provided that any such refinancing shall require the prior written consent of Lessee, which consent shall not be unreasonably withheld or delayed; and provided further that all Rent is timely paid to Lessor and that all amounts due to Mortgagees in connection with such refinancing are timely paid.

## 29. MISCELLANEOUS PROVISIONS.

(r) On or before the Commencement Date, Lessor shall pay the Three (3) Bedroom Buydown Reserve, the Lease Payment/Operating Expense Reserve and the amounts set forth in the definitions of "Capital Replacement Reserve Account," and "Ratio Utility Billing ~~Reserve Account~~" and "~~Working Capital~~ Reserve Account" in Section 1.1 to Lessee.

**EXHIBIT D**  
**Reserves Schedule**

1. Capital Replacement Reserve – \$260,000 on the Commencement Date, paid by Lessor to Lessee, to be replenished by Capital Replacement Annual Deposits made by Lessee of \$650.00 per unit per year, increasing by 3.52% annually, for capital replacements.
2. Lease Payment/Operating Expense Reserve – \$310,996 on the Commencement Date, paid by Lessor to Lessee, for rent payment shortfalls by sublessees or other purposes.
3. Ratio Utility Billing System Reserve – \$78,600 on the Commencement Date, paid by Lessor to Lessee for completion of a Ratio Utility Billing System program or other purposes.
4. Three (3) Bedroom Buydown Reserve – \$125,542, paid by Lessor to Lessee, for use by Lessee towards the unit gap between proforma rents and existing rent.
5. ~~Working Capital Reserve – \$250,022 on the Commencement Date, paid by Lessor to Lessee, for operating deficits.~~

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

**July 8, 2025**

## **FROM**

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

## **SUBJECT**

**Contract Amendment with Potomac Partners DC for Legislative Consultant Services**

## **RECOMMENDATION(S)**

1. Approve Amendment No. 1 to Contract No. PC1297, effective October 1, 2025, with Potomac Partners DC increasing the current contract by \$156,000 for a total not to exceed \$624,000 through September 30, 2026.
2. Authorize and direct the Executive Director to execute and deliver the contract amendment to Potomac Partners and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.

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

## **STRATEGIC PLAN ALIGNMENT**

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

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

**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**

This item is expected to cost \$156,000 for the Fiscal Year Ending 2026. Non-Federal funds are used to pay for these consulting services. The amount for the Fiscal Year Ending 2026 is included in the budget.

## **BACKGROUND INFORMATION**

HACSB has been very successful in creating relationships with officials from the U.S. Department of Housing and Urban Development's (HUD) Washington DC office, members of Congress and their staff, housing advocacy groups, and other federal agencies. Potomac Partners DC (PPDC) has been instrumental in developing these relationships, leveraging their own established relationships with members of Congress and their staff. PPDC has helped HACSB develop relationships with key committee members and congressional staff beyond the California delegation, including the Transportation, Housing and Urban Development (THUD) Appropriations Committee, Financial Services Committee, Veterans Committee, and Banking Committee. These relationships have helped HACSB shape federal housing policy and assisted in advancing Moving to Work (MTW) efforts, including the 10-year extension of the MTW designation approved by Congress in 2024. In addition, PPDC regularly communicates with our members of Congress and relevant committees regarding HACSB's needs, priorities, and successful efforts. PPDC also monitors relevant legislation and consults with HACSB staff regarding how to approach our advocacy efforts. PPDC provides a monthly report summarizing this work.

### **PROCUREMENT**

The Procurement and Contracts Department previously advertised a “Request for Proposal” (RFP) for Legislative Consultant Services (RFP PC1297) on June 28, 2022, which resulted in the receipt of one proposal. Outreach efforts included email invitations via Planet Bids, our eBidding website to four (4) vendors, and posting on the agency’s external website. The proposal was evaluated per the requirements of the RFP where Potomac Partners DC has been deemed responsive, reasonably priced, and qualified to provide this service to HACSB.

On September 13, 2022, the Board of Commissioners of the Housing Authority of the County of San Bernardino awarded a contract to Potomac Partners DC (PPDC) in the amount of \$468,000 for a three-year base period beginning on October 1, 2022, through September 30, 2025, with options to extend the contract up to two single-year extensions through September 30, 2027. If approved, this proposal will allow HACSB to extend the current contract with PPDC for legislative consultancy services for one year.

### **ITEM ATTACHMENTS**

- Contract – Amendment #1 – PC1297 Legislative Consultant Services (Potomac Partners DC)

### **REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 22, 2025.



**AMENDMENT #1 TO CONTRACT FOR LEGISLATIVE CONSULTANT SERVICES  
(PC1297)**

**BETWEEN**

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

**And**

**POTOMAC PARTNERS DC**

This Amendment No. 1 ("First Amendment"), dated October 1, 2025 ("Effective Date"), to Agreement for Legislative Consultant Services (PC1297), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, ("Authority") and Potomac Partners DC ("Contractor").

**RECITALS**

**WHEREAS**, the Authority and Contractor entered into that certain Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated October 1, 2022 relating to Legislative Consulting Services ("Agreement") with a total price of \$468,000;

**WHEREAS**, the Authority and Contractor now wish to enter into this first Amendment to the Agreement to exercise the first option year and increase the contract by \$156,000 for a total amount not-to-exceed \$624,000 through September 30, 2026.

**OPERATIVE PROVISIONS**

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

**Section 1.** Article 3 of the Agreement is hereby amended to extend the term for an additional one (1) year and expiring on September 30, 2026. Except as so amended, the other provisions of Article 3 shall remain unmodified and in full force and effect.

**Section 2.** Article 4 of the Agreement, entitled "Price" is hereby amended to increase the compensation payable to Contractor for the provision of the Work for the total not-to-exceed sum as shown in the Total Agreement Cost set forth on Exhibit "A-1. Except

as so amended, the other provisions of Article 4 shall remain unmodified and in full force and effect.

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

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

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

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

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

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and Potomac Partners DC hereby execute this First Amendment.

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**POTOMAC PARTNERS DC**

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

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

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

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

Name: Maria Razo

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

Title: Executive Director

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

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

## Exhibit A-1

### Schedule Dates:

Effective Date: October 1, 2025

Completion Date: September 30, 2026

**Total Agreement Cost: Not to exceed \$624,000.00**

### Scope of Services- Fee Schedule:

Legislative Consultant – Annual Pricing (Billed Monthly at \$13,000.00)	\$156,000.00
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<b>Original Agreement Amount Not to Exceed</b>	<b>\$468,000.00</b>
<b>Net Change Orders Previously Approved</b>	<b>\$0.00</b>
<b>Net Change Order Previously Approved – Amendment #1</b>	<b>\$156,000.00</b>
<b>Agreement Value as Amended Not to Exceed</b>	<b>\$624,000.00</b>

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

**July 8, 2025**

## **FROM**

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

## **SUBJECT**

**Contract for Property Management Services with Reliant Asset Management Solutions**

## **RECOMMENDATION(S)**

1. Approve Contract No. PC1426, effective August 1, 2025, with Reliant Asset Management Solutions for Property Management Services for a two-year base period through July 31, 2027, with three single or multiple year options to extend through July 31, 2030.
2. Authorize the Executive Director to execute and deliver Contract No. PC1426 to Reliant Asset Management Solutions, 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 #4: To utilize research and technology to drive innovative programming and operational processes which allow us to be more responsive and result in the advancement of the families we serve.**

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

## **FINANCIAL IMPACT**

The management fee for service will be equal to a percentage of gross collected rents. The management fee is between 3.5% and 5% of the gross rents collected based on performance indicators.

## **BACKGROUND INFORMATION**

The Housing Authority of the County of San Bernardino (HACSB) owns approximately 2,400 housing units throughout San Bernardino County. Approximately 1,300 of those units are contracted for property management by a third party. This contract (No. PC1426) covers 195 units located at 6 sites. The contracted property management vendor will be required to provide full-service property management services necessary to maintain and preserve these units. The full-service management agreement includes but is not limited to: leasing of the apartment units, repair and replacement duties, financial reporting, and regulatory compliance.

## **PROCUREMENT**

The Procurement and Contracts Department released a Request for Proposal (RFP) PC1426 on April 7, 2025. Outreach efforts included advertisements in local newspapers, email invitations to five (5) vendors, posting on our electronic bidding website, PlanetBids, and posting on the agency's website. Three (3) proposals were received in response to this RFP. Proposals were

evaluated per the requirements of the RFP in which Reliant Asset Management Solutions was the most qualified and responsive to provide these services to the agency.

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**Responses were received by the deadline from the following organizations:**

<u>Contractors Name</u>	<u>Location</u>	<u>Score</u>
Reliant Asset Management Solutions	Ontario, CA	262
Bell Properties, Inc.	Arcadia, CA	253
National Community Renaissance (National Core)	Rancho Cucamonga, CA	246

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Based on the responses for these services that were solicited to an adequate number of sources and in accordance with Title 2 Code of Federal Regulations Part 200, staff recommends awarding a contract for property management services to Reliant Asset Management Solutions for a two-year base term beginning August 1, 2025, through July 31, 2027, with three single or multiple year options to extend through July 31, 2030.

**ITEM ATTACHMENTS**

- Contract – PC1426 Property Management Services (Reliant)

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 22, 2025.

# APARTMENT MANAGEMENT AGREEMENT

**THIS AGREEMENT** is made and entered into on this **1<sup>st</sup>**. day of **August, 2025** by and between **The Housing Authority of the County of San Bernardino (HACSB)**, hereinafter referred to as "**OWNER**", and **Reliant Asset Management Solutions**, a California Corporation, hereinafter referred to as "**MANAGER**", with respect to the following facts:

## RECITALS

Manager is engaged in the business of servicing, managing, renting and maintaining rental properties for the Owners thereof. On the terms set forth in this Agreement, Owner engages Manager to manage the apartment complexes listed as referenced in **Exhibit B**, with adjacent grounds and improvements, hereinafter referred to as "**APARTMENT COMPLEXES**", and Manager desires to so manage said Apartment Complexes for and on behalf of Owner consistent with the scope of work identified in **Exhibit A**.

On the basis of the foregoing facts, and in consideration of the terms and conditions set forth in this Agreement, both parties agree as follows:

## TERMS

### ARTICLE I – LEGAL COMPLIANCE

Compliance with Government Regulations and Orders. The Manager will take action as necessary to comply with any and all governmental regulations, orders, or other requirements whether imposed by federal, state, county, or municipal authority, affecting the Apartment Complexes, or related to Manager's obligations under this Agreement.

The Manager will notify the Owner in writing of all notices or such orders relating to the Apartment Complexes received by Manager or other requirements as soon as possible from the time of their receipt. If the Owner is contesting or has affirmed in writing its intentions to contest any such order or requirement, the Manager shall take no action. Manager will not enter into any Fair Housing agreements or sign conciliatory or voluntary compliance agreements on behalf of the Apartment Complex or Owner. Manager must refer matter to Owner as soon as Manager is made aware. Owner shall work with Manager to resolve any issues.

Furthermore, the Manager agrees to comply with all applicable, on-going program requirements for the respective Property as set forth in the Housing Choice Voucher Project Based Program policies, Home Investment Partnership (HOME) Program Agreement, the Rental Housing Construction Program Operations Manual, the Tax Credit Allocation Committee Regulatory Agreement, the City of Redlands Redevelopment Agency Affordable Housing Development Incentive and Restrictive Covenant Agreement, City of Redlands Redevelopment Agency First Amendment to the Affordable Housing Development Incentive and Restrictive Covenant Agreement and Subordination Agreement, and the County of San Bernardino/City of Redlands Neighborhood Initiative Program, City of Ontario Regulatory Agreements and Covenant, Conditions and Restrictions.

Failure to comply with these regulations and requirements, except as expressly set forth herein, shall will be considered a default under this Agreement.

## ARTICLE II -- EMPLOYMENT OF MANAGER

Owner hereby employs Manager and Manager hereby accepts such employment to operate and manage the Apartment Complexes according to the terms and conditions of this Agreement.

The term of this Agreement shall be and commence on the 1<sup>st</sup> of August 2025 and continue thereafter for two base years through July 31, 2027. Owner shall have the option, at its sole discretion, to extend the term for an additional three (3) year option extended as single or multiple years through July 31, 2030 unless terminated sooner in accordance with the provisions herein set forth.

Confidentiality. To the fullest extent permitted by law, all data, written information, and other documents and data either created by or provided to Manager in connection with the performance of this Agreement shall be held confidential by Manager. Such materials shall not, without the prior written consent of Owner, be used by Manager for any purposes other than the performance of this Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Agreement. Nothing furnished to Manager which is otherwise known to Manager or is generally known, or has become known, to the related industry shall be deemed confidential.

## ARTICLE III -- PARTY REPRESENTATIVES

### 1. Owner's Representative

Owner designates Lucy Leslie as representative, herein referred to as "**OWNER'S REPRESENTATIVE**". All reports, communications, and notices as required herein shall be deemed delivered to Owner when delivered as set forth hereinafter to Owner's Representative located at 715 E. Brier Drive, San Bernardino, CA 92408.

Manager shall take direction from the Owner solely through the Owner's Representative.

Manager will make no other reports, statements or communications with parties other than Owner or Owner's Representative unless Owner so designates in writing.

### 2. Manager's Representative

Manager designates Theresa Ibarra as representative, herein referred to as "**MANAGER'S REPRESENTATIVE**". Manager's Representative shall have the power to act on behalf of Manager for all purposes under this agreement.

## ARTICLE IV -- RENTAL AND RELATED OPERATIONS

### 1. Leases and Rental Rates

During the term of this Agreement and subject to the minimum lease term and rent provisions described herein, Manager shall handle all negotiations with prospective residents of the Apartment Complexes and shall have the right to execute and enter into, on behalf of Owner, any and all leases, or rental agreements (hereinafter referred to as "**LEASES**"), as Manager shall in its sole discretion determine, for residential units of the Apartment Complexes and any extension and renewal of said Leases; provided, however, that without the prior written consent of Owner, Manager shall not enter into any Lease with any person for a term in excess of one (1) year. In addition, during the term of this Agreement, Manager shall annually submit to Owner a proposed schedule of minimum rents for all residential units contained within the Apartment Complexes and a proposed form of lease agreement. All Leases of residential units of the Apartment Complexes shall be in strict accordance with the proposed schedule of minimum rents and the form of lease agreement and any changes, alterations or modifications thereof shall be previously approved in writing by the Owner.

### 2. Advertising and Promotion

At all times during the term of this Agreement, Manager shall use its reasonable efforts to ensure that all residential units contained within the Apartment Complexes are leased to qualified residents. In this connection, Manager shall use its best efforts to advertise apartment vacancies by any reasonable and proper means; provided, however, that Manager shall not incur expenses for advertising in excess of the approved budget during any calendar quarter without the prior written consent of the Owner. Manager hereby agrees to indemnify and hold Owner harmless, from any and all liability to any person arising out of any advertising of the Apartment Complexes undertaken by Manager, its employees, agents, and representatives.

### 3. Collection of Rents

Manager shall promptly collect all rents, deposits, and other income issuing from the Apartment Complexes and the residential units of same when such amounts become due and shall deposit all such amounts into a non-interest-bearing bank account designated "**GENERAL ACCOUNT**" maintained at a bank designated by the Manager subject to the requirements set forth in Exhibit A, and held for the benefit of Owner. Manager shall act as a fiduciary of Owner as relates to such funds collected by Manager. Manager shall provide copies of all collection reports and deposits to Owner monthly. Manager shall not commingle any of the aforesaid rents, deposits, or other income with any funds or other property of Manager or of any other person. Whenever a resident of the Apartment Complexes shall fall delinquent in the payment of rent or installments thereof or otherwise be in default of his rental agreement, Manager shall institute legal action to regain possession of the apartment, and shall attempt diligently thereafter to collect any unpaid rent and/or unsatisfied judgements. All reasonable costs and expenses incurred in connection with the institution and maintenance of any such legal action shall be paid out of the General Account by Owner. Owner acknowledges that Manager shall pool Owners' units to obtain the economic advantage of large blocks of units to minimize overall legal fees. Funds held in the General Account in excess of amounts needed for payment of the Management Fee and normal operating expenses, as determined by Owner, shall, upon direction by Owner, be transferred by Manager to one or more Owner accounts.

## ARTICLE V -- OPERATING EXPENSES

### 1. Normal Maintenance and Upkeep

At all times during the term of this Agreement, Manager shall take all such steps as are necessary to ensure that the Apartment Complexes are maintained in an attractive condition and good state of repair. In this connection, and among other things, Manager shall arrange for gardening services, painting and cleaning services, plumbing, utility and repair services to the Apartment Complexes and to all residential units contained therein and shall promptly arrange to service all the reasonable requests and complaints of any residents of the Apartment Complexes. Manager agrees that all persons engaged or otherwise employed by it to perform the aforesaid services or activities shall be qualified to perform the same. Manager may retain the services of an affiliated company or entity to perform the aforesaid services or activities. All expenses incurred in connection with performance of such services shall be paid by Manager from funds in the General Account. This does not include expenses related to Manager's time, overhead and efforts. Except for payment of normal monthly operating expenses, Manager shall not make payment for any one service that exceeds \$5,000 without first obtaining Owner's written consent. By no later than the 15th of each month for the preceding calendar month during the term of this Agreement, Manager shall submit to Owner a complete and itemized statement showing all disbursements made during the previous month as a result of services performed at the Apartment Complexes. Owner acknowledges that Manager will pool Owners' units into an economic unit for negotiating contracts with vendors and affiliated companies of Manager in order to obtain the economies of scale associated with larger blocks of units and provide the responsiveness needed to maintain Owners' units. In an emergency where repairs are immediately necessary for the preservation and safety of the premises, or to avoid the suspension of any essential service to the premises, or to avoid danger to life or property, or to comply with federal, state, or local law, such emergency repairs shall be made by Manager at Owner's expense without prior approval.

### 2. Major Work of Improvement, Repair & Restoration

At least once each year during the term of this Agreement, Manager and Owner's Representative shall make a complete and thorough inspection of the Apartment Complexes at a time mutually agreed upon. Manager shall promptly call to the attention of Owner any condition of the Apartment Complexes which, in order to be rectified properly, would require some form of work of improvement, repair or restoration (hereinafter "**WORK OF IMPROVEMENT**") in or to the Apartment Complexes. For each Work of Improvement for which the costs would exceed \$5,000.00, Manager will supply Owner a complete and precise capital expense budget and upon prior written approval thereof by Owner, Manager shall promptly engage contractors, repairmen, builders or such other persons and take such steps as may be necessary to insure that all such Work of Improvement is performed properly and without delay. Manager may engage the services of an affiliated company or entity to perform such Work of Improvement if, after soliciting bids in accordance with the requirements set forth in Exhibit A, such affiliated company or entity offers to perform the required Work of Improvement for the lowest price. Any contract which Manager intends to enter into with any of the aforesaid persons for any of the aforesaid purposes shall be subject to the prior written approval of Owner. As used herein, the term "work of improvement, repair and restoration" shall have the broadest possible meaning and shall include, without limitation, real or personal property, maintenance work, work performed in connection with utilities, plumbing, painting, construction work, and all similar or related types of work or services with respect to the Apartment Complexes. Promptly after completion of any of the aforesaid Work of Improvement, Manager shall submit to Owner a complete and itemized written statement of all work performed and designate to whom payment was made. A Lien Release will be obtained whenever appropriate.

3. Postage and Printing Charges

Manager may charge a flat rate per unit per month to cover postage and printing costs associated with operations of the Apartment Complexes.

4. Initial Source of Payment

In addition to any other payments required to be made by Manager pursuant to this Agreement, Manager shall make all other disbursements, including those for utilities, services, maintenance, repairs, improvements, alterations, and all other operating expenses, incurred in connection with the Apartment Complexes and/or the management thereof out of the General Account. Owner will advance two (2) months of operating expenditures for all properties managed at the start of this Agreement. This advance amount will be retained by Manager as reserve funding until the termination of this Agreement at which time it will be returned to Owner along with all funds due.

5. Expenses as Owner's Obligation

All operating expenses of the property are the obligation of the Owner. This includes, but is not limited to, Items 1 through 4 above. This also includes purchases appropriately made with the Manager's credit accounts on behalf of the Apartment Complexes and necessary for the operation and management thereof. Should funds not be available in the General Account to pay for all expenses when due, the Owner shall contribute the shortage to the account upon request by the Manager, provided that such expenses are made in accordance with the terms of this Agreement and are demonstrated by Manager to Owner to be reasonably necessary for the operation and maintenance of the Apartment Complexes, and do not result from any default of Manager in the performance of its obligations hereunder.

6. Compliance with Prevailing Wage Requirements

Upon notice by Owner, any contracts for work or services entered into by Manager and paid for out of the General Account which are subject to the requirements of the California Labor Code section 1720, et. seq. and/or federal Davis Bacon minimum wage requirements shall include the applicable legal references, and shall require no less than the payment of the applicable prevailing wage rates for the relevant work or services.

7. Return of Improperly Expended Funds

If, based on Owner audit, it is determined that Manager has improperly expended funds from the General Account, reimbursed itself for unauthorized costs from the General Account, or improperly calculated the Management Fee and paid itself from the General Account, Manager shall refund such monies to the General Account within ten (10) days of demand from Owner.

## **ARTICLE VI – INSURANCE; MANAGER INDEMNITY**

Promptly after execution of this Agreement, each party hereto shall furnish the other party with copies of all insurance policies relating to the Apartment Complexes required hereunder, together with the name of the agent or agents to whom claims and/or losses are to be presented. All insurance required hereunder shall be maintained, in full force and effect, during the Term, and any extension thereof. In addition, Manager shall require that any subcontractor of Manager hired to perform services for the Apartment Complexes shall be required to maintain insurance.

1. Property and Liability Insurance and Indemnity –Owner & Manager

Owner shall obtain and keep in force adequate insurance against physical damage and against liability for loss, damage or injury to property or persons which might arise out of the occupancy, operation, or maintenance of the premises for claims not caused by the Manager Employee Claims, as defined below, or onsite hazards not approved for repairs which the manager requested over their discretionary authority. The amounts and types of insurance shall be the responsibility of the Owner.

Owner and Manager shall each, at their own expense, carry commercial general liability insurance with limits of coverage for bodily injury and property damage liability of not less than \$1,000,000 per occurrence and not less than \$2,000,000 policy general aggregate and each party shall provide evidence to the other that the insurance is being maintained in effect along with evidence that the insurance will not be cancelled or materially changed in the scope or amount of coverage unless thirty (30) days advance notice is given to the non-procuring party. Owner's participation in a governmental risk sharing pool shall be deemed to satisfy Owner's insurance requirements under the preceding sentence. Each party shall also name the other as an additional insured on their respective policies to the extent of each party's indemnification obligations under this Agreement. It is further agreed that Manager's liability insurance shall be primary with respect to Manager Employee claims subject to the indemnification provisions set forth below, and not contributing with any other insurance maintained by Owner notwithstanding any inconsistent provision in any such policies maintained by Owner and shall not require contribution by any insurance or self-insurance maintained by Owner or any basis, pro rata or otherwise.

For purposes of this Agreement, "Manager Employee Claims" shall be defined as any and all claims, demands, suits, actions or judgments which actually arise or allegedly arise from direct or indirect actions or omissions of Manager or its officers, agents, employees or subcontractors, except as such may have been caused by the negligence of Owner. To the extent a claim is brought against Owner as the result of a Manager Employee Claim, such claim shall be deemed to be a Manager Employee Claim.

Manager shall indemnify, defend by counsel satisfactory to Owner, and hold harmless Owner from and against any and all (1) Manager Employee Claims, (2) claims brought by tenants of the Apartment Complexes during this Agreement based on discrimination by Manager or Manager's employees or subcontractors (3) claims brought by Manager's employees and related to Manager's operations, and (4) any claims related to negligent act, omission, recklessness or willful misconduct of Manager, its employees, or subcontractor in relation to Manager's obligations under this Agreement.

Manager shall not knowingly permit the use of the Apartment Complexes for any purpose which might void any policy of insurance relating to the Apartment Complexes, increase the premium otherwise payable or render any loss thereunder uncollectible.

Manager shall investigate and immediately furnish the Owner with reports of accidents or incidents occurring on or about the Apartment Complexes or in connection with the operations of the Apartment Complexes, within twenty-four hours of the accident or incident. This includes any claims or potential claims for damages arising out of accidents or incidents.

Manager will cooperate with the Owner, insurers, or insurer's claim adjusters in the investigation and settlement of potential claims.

2. Fire and Extended Coverage Hazard - Owner

Owner shall maintain a fire and extended coverage hazard insurance in an amount equal to the full replacement costs of the residential structures and other improvements situated on the Apartment Complexes, fire and extended coverage hazard insurance covering the personal property of Owner or of Manager located at the Apartment Complexes and of loss of rental income (to exclude earthquake insurance and to include flood coverage only if said Apartment Complexes are in a flood zone). Said insurance shall name Owner and Manager as insureds as their respective interests may appear during the term of this Agreement. If Owner so desires, Manager shall obtain said insurance and pay for same out of the General Account.

3. Fidelity - Manager

Manager shall obtain and keep in full force and effect fidelity insurance in the amount of \$250,000. Such policy shall cover Manager and its agents and employees.

4. General Liability – Manager and Owner

Manager shall maintain and keep in full force and effect general liability insurance in the amount of at least \$1,000,000 per occurrence and \$2,000,000 aggregate.

5. Worker's Compensation and Employer's Liability

Manager shall maintain and keep in full force and effect worker's compensation insurance in the amount of \$1,000,000.

6. Professional Error and Omissions:

Manager shall maintain and keep in full force and effect professional error and omissions liability insurance in the amount of \$1,000,000 per occurrence and \$3,000,000 aggregate.

The cost of premiums for the policies of insurance described in Paragraphs (1) and (2) above shall be chargeable to the General Account, and the cost of premiums for the policies of insurance described in Paragraphs (3) (4) (5) and (6) above shall be borne by Manager, and no part thereof shall be borne by or chargeable to the account of Owner.

## **ARTICLE VII -- AGENTS, EMPLOYEES**

Manager, or affiliated company or entity retained by Manager, shall employ, discharge, supervise, and pay all employees required for the efficient operation and maintenance of the Apartment Complexes. All such employees shall be, and shall be deemed to be, for all purposes, employees of Manager and not employees of Owner, and Owner shall not be responsible for any of said employees' acts, defaults or negligence or for any error of judgement or mistake of law or fact in connection with their employment. Owner shall not solicit or hire employees of Manager either during the term of this agreement or for one (1) year following its termination. Throughout the term of this Agreement, employees of Manager who handle or are responsible for monies of Owner shall be covered, at Manager's expense, by a fidelity policy pursuant to Article VI, Paragraph 3 above, and upon Owner's demand, Manager shall present to Owner evidence of such insurance and payment of the premium therefor.

Provided there are sufficient funds in the General Account, Manager shall pay from the General Account, for employees charged directly to the sites, any and all payroll taxes, disability insurance and

workman's compensation as may be required by law, and/or any other costs demanded by the laws of the State of California or the United States government. The costs incurred in connection with such labor and employees, including, but not limited to, the taxes, insurance and other state or federal mandated costs described above, shall be deemed an expense incurred in connection with the management of the Apartment Complexes. Manager may charge, as an expense, a flat rate for workman's compensation as long as such costs do not exceed the actual premium costs paid by Manager. Should sufficient funds not be available in the General Account to pay for these expenses when due, Owner shall contribute the shortage to the account upon request by the Manager.

## **ARTICLE VIII -- RECORDS, EXAMINATION AND COMPENSATION**

### **1. Books of Account and Record**

Manager shall maintain full and complete books and records with all receipts and expenditures resulting from the operation and management of the Apartment Complexes. Such books of account and records shall be the property of Manager and shall at all times during regular business hours be open to the inspection by Owner's Representative or any of his duly authorized agents at Manager's office. Manager shall furnish to Owner monthly: an operating report, cash flow report, general ledger and disbursement register on a cash basis; and statement of rental income, collection and delinquencies on an accrual basis; such statements to be furnished on or before the 15th day of each calendar month for the preceding calendar month.

Owner shall state in writing to Manager within five (5) days of the execution hereof the inclusive period constituting Owner's election of an accounting year. Within thirty-one (31) days after the close of each such year, Manager shall deliver to Owner a detailed operating statement, certified by an officer of Manager, of all receipts and disbursements for such accounting year. Owner, in its sole discretion, may require an annual audit by an independent Certified Public Accountant. Said audit, if performed, shall be at Owner's sole expense and payable from the General Account. Manager will make available its accounting records, documents and reports to the auditors as designated by Owner to Manager, for inspection during Manager's regular business hours.

### **2. Compensation**

As compensation for performance of its duties and obligations under this Agreement, Manager shall receive a monthly management fee equal to a minimum of three and a half percent (3.5%) up to a maximum of five percent (5%) of the collected gross amounts of rental and other income from the Apartment Complexes based on the performance factors by property as listed in Exhibit C, during each month to and including the end of the term of the Agreement ("Management Fee"). Such payments shall be made to Manager monthly from the General Account. Unless otherwise specifically provided in this Agreement to the contrary, neither Manager nor any of its agents, employees or representatives shall receive any fees, compensation, remuneration or other payment from Owner except as specified in this paragraph. In addition, if in connection with any services or activity provided for in this Agreement for which Manager is authorized to engage, on behalf of Owner, Manager proposes to engage any parent, subsidiary or affiliate of Manager or any person or entity in which Manager has any interest, directly or indirectly as an independent contractor, or otherwise, to undertake the same prior to such engagement, Manager shall disclose to Owner the nature of any such relationship and assure that the amount of compensation or fees to be paid for the services or other acts to be performed shall be competitive.

3. Construction Supervision Fee

Manager shall be paid five percent (5%) of the total subcontractor costs for repairs, insurance reconstruction, tenant improvements, rehabilitation, to act as the general contractor for any work done at the Apartment Complexes as a result of fire, flood, wind, rain, earthquake, normal wear and tear, tenant neglect, lease-required tenant improvements paid by Owner, removal of tenant improvements, rehabilitation, other damages or Owner-required improvements exceeding \$20,000 in cost. This does not include supervision of normal maintenance work on the property which occurs on a routine basis as outlined in Article V, Paragraph 1 herein.

## **ARTICLE IX -- DEFAULT AND PROVISIONS FOR EARLY TERMINATION**

1. Default

In the event of the default by Manager in the performance any of its duties or obligations under this Agreement, and without affecting or otherwise impairing any of such other rights or remedies as Owner may have against Manager by law, and provided that Manager shall not have fully and completely cured such default within twenty (20) calendar days of receipt of written notice to do so from Owner, and provided that the same is capable of being cured within said period of time, or if not so curable, if within said twenty (20) calendar days Manager shall not have undertaken steps to pursue diligently such cure to completion, Owner shall have the right to terminate this Agreement immediately. Such notice shall specify the grounds for termination and provide that the cure shall not have been fully and completely made by Manager or if it shall not have undertaken steps to diligently cure said defect within the aforesaid twenty- (20) day period, termination of this Agreement shall automatically become operative upon the expiration of said twenty- (20) day period. Notwithstanding the foregoing, Owner may terminate this Agreement immediately without providing any opportunity for Manager to cure in the case of a breach of fiduciary duty by Manager, or in the case Manager engaged in discrimination in its implementation of this Agreement. Such termination shall be effective on the date set forth in Owner's notice of termination.

2. Option to Terminate

Notwithstanding anything that may be contained herein to the contrary this Agreement may be terminated by either Owner or Agent, with or without cause, upon not more than thirty (30) days advance written notice without payment of a termination fee or penalty. Any notice given pursuant to this Article IX, Paragraphs 1 and 2 shall be sent by certified mail.

3. Effect on Termination

Effective upon the date of termination of this Agreement, Manager shall cease performance of its duties and obligations as provided in this Agreement. Manager shall deliver to Owner the following:

- A. all rents and income of the Apartment Complexes on hand and in any bank account which are the monies of Owner, after the payment to Manager of any amounts owed by Owner to Manager under this Agreement,
- B. any monies due Owner under this Agreement received after such termination,
- C. all materials and supplies, keys, contracts, and documents, such other accountings, paper and records pertaining to the Agreement as Owner shall reasonably request

Within forty-five (45) days after such termination, Manager shall make any remaining payment to Owner which is then due and owing to Owner; within ninety (90) days after any such termination, Manager shall deliver to Owner the profit and loss statement for the fiscal year or portion thereof ending on the date of termination. No termination of this Agreement shall constitute, or be construed as so constituting, any waiver, release or estoppel by either party hereto of any right, action or cause of action that said party may have against the other party hereto by reason of any breach of default in the performance of any duty or obligation pursuant to this Agreement.

## **ARTICLE X -- MISCELLANEOUS**

### **1. Covenants and Conditions**

All of the terms and conditions of this Agreement are expressly intended to be construed as covenants as well as conditions. Any default in the performance of any duty or obligation herein contained shall be deemed to be a material breach of obligation and shall give rise to any and all of the remedies herein provided.

### **2. Notice**

All notices, requests, demands or other communications pursuant to this Agreement shall be in writing, and shall be deemed to have been duly given if delivered in person, or by United States mail, certified or registered, prepaid, with return receipt requested, or otherwise actually delivered:

#### **A. If to Owner:**

Name: Housing Authority of the County of San Bernardino  
715 East Brier Drive  
San Bernardino, CA 92408  
Phone: (909) 890-0644  
Fax: (909) 890-4618

or such other address or addresses as Owner may have furnished to Manager in writing.

#### **B. If to Manager:**

Reliant Asset Management Solutions  
Attn.: Theresa Ibarra  
24 North Lemon Avenue  
Ontario, CA 91764  
Phone: 909-332-6364

or such other address or addresses as Manager may have furnished to Owner in writing.

All notices, requests, demands or other communications pursuant to this Agreement shall be deemed effective as of the date shown on the delivery receipt as the date of delivery, the date delivery was refused, the date the item was returned as undeliverable, or the date the notice, request, demand, or other communication was otherwise actually delivered.

3. Successors and Assigns

Neither Owner nor Manager shall assign this Agreement or any interest herein or delegate any of its duties hereunder without the prior written consent of the other party. Subject to the foregoing restrictions, the Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.

4. Independent Provisions; Severability

Should any Article or any part of an Article within this Agreement be rendered void, invalid or unenforceable by any court of law, for any reason, such shall not void or render invalid or unenforceable any other Article or part of an Article in this Agreement. This Agreement has been made and entered into in the State of California and the laws of said state shall govern the validity and interpretation of and the performance under this Agreement by both parties.

5. Governing Law; Venue

This Agreement has been made and entered into in the State of California and the laws of said state shall govern the validity and interpretation of and the performance under this Agreement by both parties.

6. Completeness

The making, execution and delivery of this Agreement by the parties have been induced by no representations, statements, warranties or agreements other than those herein expressed. This Agreement embodies the entire understanding of the parties, and there are no other agreements or understandings, written or oral, in effect between the parties relating to the subject matter of this Agreement, unless expressly referred to herein. This instrument, and the agreements contained herein, may be amended or modified only by an instrument of equal formality, signed by the parties or their duly authorized agents.

7. Attorney Fees

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.

8. Waiver

No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel, or otherwise.

SIGNATURES ON FOLLOWING PAGE

**SIGNATURE PAGE  
TO  
APARTMENT MANAGEMENT AGREEMENT**

**IN WITNESS WHEREOF**, the parties have executed this Agreement by their respective agents thereunto duly authorized on the day and year first mentioned above.

Owner: **Housing Authority of the County of San Bernardino (HACSB)**

BY: \_\_\_\_\_

WITNESSED: \_\_\_\_\_

DATE: \_\_\_\_\_

Manager: **Reliant Asset Management Solutions**

BY: \_\_\_\_\_

WITNESSED: \_\_\_\_\_

DATE: \_\_\_\_\_

## **EXHIBIT A**

### **PROPERTY MANAGEMENT SERVICES SCOPE OF WORK**

Services to be provided include but are not limited to: preparation of a management plan and annual budget, apartment leasing, rent collection, lease enforcement, all maintenance responsibilities, hiring and firing staff, associated staff training, annual income review, unit and building inspections, capital improvements and repairs, purchasing supplies and services, financial reporting, resident relations, and ensuring the communities are safe, secure and maintain a good curb appeal at all times.

Required monthly reporting of operational status by region, which will consist of changes in staff, maintenance activity, quantity of service calls, quantity of service orders completed as well as detailed explanation regarding outstanding service order issues and occupancy of each site, which provides a total number of vacancies and detailed information for any vacancies exceeding thirty (30) days.

Waiting list status report consisting of number of new applicants, number of denied, and total for each waiting list by applicable site.

Monthly report of vacancy rate, vacancy turns days, vacancy costs and narrative report identifying any issues/concerns or positive circumstances for all sites.

### **PROPERTY MANAGER'S RESPONSIBILITIES**

The Property Manager will be required to provide full service professional property management services necessary to maintain and preserve the 195 units and properties located at 6 different sites (Exhibit B). The Property Manager will be responsible for regularly assessing the conditions of the buildings and its systems; developing and implementing building operations, preventive maintenance, and establishing capital plans necessary to maintain, preserve, and keep the premises in good repair and condition.

The services of Property Manager are to be of a scope and quality generally performed by professional property managers and performed in a reasonable, diligent, and responsible manner. Services shall be provided in accordance with the highest standards of professionalism, skill, workmanship, and applicable trade practices and shall conform to all applicable codes and regulations.

The Property Manager responsibilities shall include but not necessarily be limited to the following:

1. Maintaining continuous communication with assigned HACSB staff on all property related issues including conducting meetings and providing required written reports monthly, or such other schedule as may be determined.
2. Assessing the conditions of the buildings and their systems and reviewing all existing warranties, manufacturer's instructions, and other contracts within the first thirty (30) days of the contract. The Property Manager shall then formulate a preventive maintenance schedule

in accordance with manufacturer's recommendations.

3. Developing and implementing a comprehensive operation plan and manual including preventative maintenance plans and a five-year capital plan per an agreed timeline approved by HACSB.
4. Reviewing the existing building-related condition and making recommendations to HACSB on critical building component failures that require immediate attention.
5. Developing Annual Operating and Preventative Maintenance Budgets per an agreed timeline for submission to and approval by HACSB.
6. Hiring, or causing to be hired, paid, and supervised, all persons necessary to properly maintain and operate the buildings who, in each instance, shall be the Property Management Agent's (not HACSB's) employee.
7. Maintaining the properties in such condition as required by this RFP and as otherwise may be deemed advisable by HACSB including preventative maintenance on the building and equipment, painting, interior and exterior cleaning, and causing routine repairs and incidental alterations of the building to be made, including, but not limited to, electrical, plumbing, carpentry, masonry, elevator and any other routine repairs and incidental alterations as may be required in the course of ordinary maintenance and care of the building. Where specifications or standards are not included herein, maintenance shall be in accordance with manufacturer's recommendations and standards.
8. Ensuring that maintenance and repairs are performed by trained technicians and whose normal hours of operation are minimally 8:00 AM to 5:00 PM Monday through Friday.
9. Soliciting, bidding, and entering into contracts for any necessary for HVAC, equipment maintenance, janitorial, window cleaning, trash removal, landscaping, lawn care and tree maintenance, extermination services, fire alarm testing, inspection and monitoring and other services as shall be advisable.
10. Ensuring that any equipment to be replaced shall be new and shall be manufactured by a reputable manufacturer. All substitutes for the original manufacturer's equipment related to the upgrading of equipment shall be Energy Star® compliant, if available. The Property Manager shall submit any proposed purchases to HACSB for its review and approval.
11. Ensuring that any new equipment be guaranteed for a minimum of one (1) year from the date of replacement and replaced at no cost to HACSB if found defective during that time. The Property Manager shall obtain cost estimates for extended warranties on new installations and consult with HACSB regarding the purchase of such contracts.
12. Providing emergency services as needed on a twenty- four (24) hour, seven (7) days a week basis. The Property Manager agrees to provide an emergency telephone service on a twenty-four (24) hour, seven (7) days a week basis. From the time of the call by HACSB tenants or staff, the Property Manager has a maximum of one (1) hour to respond to the emergency.
13. Establishing, subject to HACSB's approval, a segregated bank account (hereinafter referred to as the "Operating Expense Account") with a California state bank, subject to HACSB's approval, for the purposes of maintaining funds available for property management, general maintenance, payment of supplies, equipment, and services associated with maintaining and repairing the sites.

14. Maintaining a log of all hours of work completed by all employees and subcontractors. Reviewing all bills received for services, work, and supplies ordered in connection with maintaining and operating the sites and cause such bills to be paid from funds deposited in an Operating Expense Account.

15. Providing monthly financial reports to HACSB and, when necessary, developing plans to address any possible funding shortfalls.

16. Establishing and maintaining orderly books, records and files containing correspondence, receipted bills, contracts and vouchers and all other documents and papers pertaining to the properties and the operation and maintenance thereof, which HACSB may review at any time.

17. In accordance with the California State Toxic Substance Program (Right-to-Know Law) and the United States Occupational Safety and Health Administration's Hazard Communication Standard, the State has established and implemented a Right-to-Know/Hazard Communication Program. The Property Manager shall provide information and training to advise employees of the Property Manager and HACSB of potentially hazardous substances known to be in the workplace. Part of this information is a collection of Material Safety Data Sheets for all chemicals used by contract vendors. Before any chemical product is used on or in the building, a copy of the product label and Material Safety Data Sheet must be provided to and approved by HACSB before the chemical is applied.

18. Providing written monthly reports to HACSB within ten (10) working days of the end of each month including a precise description of services provided to the buildings, including all systems and equipment, number of employees/subcontractors involved, and the costs incurred.

19. Providing the building management services including, but not limited to:

- a) Lighting systems
- b) Pest management
- c) Electrical switchgear and electrical systems
- d) Landscaping, tree maintenance, and maintaining walkways
- e) Daily responsiveness to problems identified by HACSB tenants or staff
- f) Trash removal
- g) Fire Alarm and fire suppression systems
- h) Custodial cleaning
- i) Plumbing
- j) Maintain grounds and parking lot
- k) HVAC
- l) Window Cleaning
- m) Security
- n) Painting

20. Providing property management responsibilities including, but not limited to:

- a) Monthly site inspections and provide verification of such inspection.
- b) Solicit written bid proposals from at least three (3) qualified suppliers or service providers on each requirement having an expected value greater than \$3,000.
- c) Provide five (5) year Capital Repair and Improvement Plan.
- d) Provide adequate staff to maintain and perform routine inspections and required maintenance.
- e) Maintain all site/equipment manuals.
- f) Provide timely monthly operating report with invoice.
- g) Review work order, maintenance tracking and scheduling systems.
- h) Provide Operational and Preventative Maintenance Plans.

21. With the prior written consent of HACSB, negotiating and reviewing contracts to be entered into by the Property Manager for capital repairs and improvements to the properties and supervising all work to be performed under such contracts and authorizing payment for all work performed under such contracts.

22. The Property Manager will be responsible for the completion of a variety of administrative and reporting requirements as part of its Management Fee including:

- a) Upon award of the contract and prior to the start of any work, the Property Manager shall be available for an initial job meeting with HACSB. This meeting shall include a review of all facility use rules and an introduction to the organization and appropriate staff.
- b) Unless otherwise determined, there shall be meetings at least monthly for the following purposes:
  - i. Review building management progress and quality of work.
  - ii. Identify and resolve problems.
  - iii. Coordinate the efforts of all concerned so that these services are rendered efficiently and effectively.
  - iv. Maintain a sound working relationship between the Property Manager and HACSB.
  - v. Maintain a mutual understanding of the contract.
  - vi. Maintain sound working procedures.

23. Perform such other building management tasks for HACSB properties as may be mutually agreed upon.

24. Maintaining financial records and submitting financial reports as required by the Authority, including but not limited to:

- a) Approving and disbursing expenses for ordinary operating needs as approved in the annual budget.

- b) Increasing net operating income and enhancing the value of the property by maximizing income and controlling expenses.
- c) Implementing an aggressive rent collection program.
- d) Preparing, analyzing, and/or approving annual operating budget(s), and cash flow reports.
- e) Performing present value analysis on leases.
- f) Analyzing or preparing program operating statements (including financial) and, when appropriate, recommending changes or taking action.
- g) Analyzing actual versus planned expenditures and establishing a program for correcting unfavorable variances.
- h) Provide assistance by reviewing and evaluating ad valorem tax assessments and recommending possible appeals to reduce or correct assessments.
- i) Analyzing the cost of major equipment purchases and recommending possible alternatives to purchasing.
- j) Provide financial calculations and reports as required by the Authority. (e.g. monthly trial balance in electronic format).

25. Provide Risk Management services to include but not limited to:

- a) Authorizing or recommending levels of insurance coverage for properties.
- b) Maintaining adequate levels of insurance.
- c) Composing and/or implementing a risk management program.
- d) Investigating claims relating to accidents, vandalism or property damage, and recommending action and/or submitting claims for payment to insurance carrier.

26. Provide Marketing Services to include but not limited to:

- a) Preparing and implementing *Management, Marketing and Tenant Selection Plans*. (Note: *Plans* are prepared according to Authority approved outlines, which will be provided to the successful proposer.)
- b) Handling marketing, promotion, and leasing programs based on a local market analyses.
- c) Advertising vacancies through selected media and contacts.
- d) Development and implementation of resident retention programs.

27. Provide administrative/leasing services to include but not limited to:

- a) Providing or arranging for the provision of required services to the tenants.
- b) Maintaining community goodwill.
- c) Computerizing of all property data and providing computerized reports as required by the Authority.
- d) Investigating and responding to inquiries from the public sector concerning the property and/or preparing reports required for compliance with current or future laws and public policies.

- e) Developing or recommending changes to standard legal form documents (i.e. leases, rules and regulations, contract forms, etc.)
- f) Completing certifications of tenant eligibility, subsidy documents, etc., as required by the Authority and other governmental agencies (if applicable).
- g) Negotiating, executing, and administering leases to ensure compliance with all policies. Handling day-to-day operations of a property including supervising staff, administering contracts, and conducting unit and property-wide inspections.
- h) Hiring, instructing, and maintaining personnel to staff the property, and purchasing supplies as needed for proper operation.
- i) Performing energy audits and recommending and implementing conservation programs.
- j) Providing purchasing and work order systems, authorizing and paying bills, and maintaining computerized records for quick reference.
- k) Performing other duties as deemed necessary by the Authority.

**EXHIBIT B**  
**Apartment Complex Location**

Development	City	Address	# of Units	APN
Mountain View/Chehalis	Apple Valley, CA	15876 Chehalis Rd., #1-30	30	0441-094-13-0000 0441-094-0000 0441-094-15-0000
Canyon Villa	Colton, CA	2265 Cahuilla St.	46	0164-231-39-0000
Mentone Apartments	Mentone, CA	1232 Crafton Ave.	34	0298-221-51-0000
Las Palmas Apartments	Fontana, CA	8980 Date St.	16	0193-051-04-0000
Kingsley Patio Homes	Montclair, CA	10302-10399 Poulsen Ct.	34	1010-622-48 through 81-0000
Sequoia	Hesperia, CA	17426, 17472, 17486 Sequoia St.	35	415-02-125 415-02-123 415-02-122

## EXHIBIT C FEE FOR SERVICE CALCULATION

### MANAGEMENT FEE COMPUTATION

The Management fee for service will be equal to a percentage of gross collected rents. The default start is 5% of gross collected rents. The management fee is **decreased** on an incremental basis (if applicable) based on scores on performance indicators.

- Minimum management fee is 3.5%
- Maximum management fee is 5%

*The criterion for the fee consists of financial and operational benchmarks as follows:*

### Contracted Property Management

#### Fee for service calculation

Category	Full Fee (5%)
<b>Component 1 (Finance)</b>	
1. A/R Aging (days)	< = 10
2. Revenue compared to budget	> = Budgeted
3. Total Expenses (Negative variance from budget)	< = Budgeted
Total Weighted Score for Component 1	
<b>Component 2 (Operations)</b>	
1. Occupancy	>= 93%
2. Vacancy Turn Time Including Lease-Up (Days)	<= 15
3. Work Order Service Time - Emergency (Days)	<= 1
4. Work Order Service Time - Routine (Days)	1-5
Total Weighted Score for Component 2	

## EXHIBIT D

### FEE FOR SERVICE CALCULATION - MATRIX

#### Contracted Property Management

##### Fee for service calculation

Category	Full Score	-10%	-15%	-20%	-25%	-30%	-35%	-40%	-45%	-50%	-55%	-100%	Score	Weight	Weighted Score
<b>Component 1 (Finance)</b>															
1. A/R Aging (days)	<= 10	11-30	n/a	n/a	n/a	n/a	n/a	n/a	n/a	31-60	n/a	> 60		0.3	0
2. Revenue compared to budget	>= Budgeted	-1 - 5%	-6 - 10%	-11 - 15%	n/a	n/a	n/a	-16 - 20%	n/a	-21 - 25%	n/a	> 25%		0.3	0
3. Total Expenses (Negative variance from budget)	<= Budgeted	-1 - 5%	-6 - 10%	-11 - 15%	n/a	n/a	n/a	-16 - 20%	n/a	-21 - 25%	n/a	> 25%		0.3	0
Total Weighted Score for Component 1													Component Weight	0.4	0
<b>Component 2 (Operations)</b>															
1. Occupancy	>= 93%	90%	n/a	89%	n/a	88%	n/a	87%	n/a	86%	n/a	< 85%		0.4	0
2. Vacancy Turn Time Including Lease-Up (Days)	<= 15	16-20	21-25	26-30	31-35	36-40	41-45	46-50	51-55	56-65	66-75	> 75		0.2	0
3. Work Order Service Time - Emergency (Days)	<= 1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	> 1		0.2	0
4. Work Order Service Time - Routine (Days)	1-5	6-9	n/a	n/a	10 - 15	n/a	n/a	n/a	n/a	16-20	n/a	> 20		0.2	0
Total Weighted Score for Component 2													Component Weight	0.6	0
<b>SCORE</b>															
Fee Earned (%) see next tab															

**EXHIBIT E**  
**MANAGEMENT FEE EARNED**

Overall Score	Fee Percentage
95-100	5.0%
92-94	4.9%
89-91	4.8%
86-88	4.7%
83-85	4.6%
80-82	4.5%
77-79	4.4%
74-76	4.3%
71-73	4.2%
68-70	4.1%
65-67	4.0%
62-64	3.9%
59-61	3.8%
56-58	3.7%
53-55	3.6%
50-52	3.5%

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

**Document on Following Page**

# General Conditions for Non-Construction Contracts

## Section I – (With or without Maintenance Work)

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

Office of Public and Indian Housing

Office of Labor Relations

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

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

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

- 1) **Non-construction contracts** (*without* maintenance) **greater than \$150,000 - use Section I;**
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 905.100) **greater than \$2,000 but not more than \$150,000 - use Section II;** and
- 3) **Maintenance contracts** (including nonroutine maintenance), **greater than \$150,000 – use Sections I and II.**

### Section I - Clauses for All Non-Construction Contracts greater than \$150,000

#### 1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

#### 2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

proposal submitted before final payment of the contract.

- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

#### 3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

#### 4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
  - (i) appeals under the clause titled Disputes;
  - (ii) litigation or settlement of claims arising from the performance of this contract; or,
  - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

## 5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

## 6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

## 7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

## 8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

## 9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

## 10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

## 11. Organizational Conflicts of Interest

- (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 this contract and a contractor's organizational, financial, contractual or other interests are such that:
  - (i) Award of the contract may result in an unfair competitive advantage; or
  - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the 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 Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

## 12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

### 13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

### 14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

### 15. Limitation on Payments to Influence Certain Federal Transactions

- (a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

- (b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- (ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a

person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

## 16. Equal Employment Opportunity

During the performance of this contract, the

Contractor/Seller agrees as follows:

(a) The [contractor/seller] will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, disability, or national origin. The

[contractor/seller] will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, disability, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The [contractor/seller] agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(b) The [contractor/seller] will, in all solicitations or advertisements for employees placed by or on behalf of the [contractor/seller], state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, disability, or national origin.

(c) The [contractor/seller] will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the [contractor/seller]'s legal duty to furnish information.

(d) The [contractor/seller] will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the [contractor/seller]'s commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(e) The [contractor/seller] will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(f) The [contractor/seller] will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(g) In the event of the [contractor/seller]'s non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the [contractor/seller] may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) In the event of the [contractor/seller]'s non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the [contractor/seller] may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(h) The [contractor/seller] will include the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub[contractor/seller] or vendor. The [contractor/seller] will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the [contractor/seller] becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the [contractor/seller] may request the United States to enter into such litigation to protect the interests of the United States.

## 17. Equal Opportunity for Workers with Disabilities

1. The [contractor/seller] will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The [contractor/seller] agrees to take affirmative action to employ and advance in employment individuals with disabilities, and to treat qualified individuals without discrimination on the basis of their physical or mental disability in all employment practices, including the following:

- i. Recruitment, advertising, and job application procedures;
- ii. Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
- iii. Rates of pay or any other form of compensation and changes in compensation;
- iv. Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
- v. Leaves of absence, sick leave, or any other leave;
- vi. Fringe benefits available by virtue of employment, whether or not administered by the [contractor/seller];
- vii. Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
- viii. Activities sponsored by the [contractor/seller] including social or recreational programs; and
- ix. Any other term, condition, or privilege of employment.

2. The [contractor/seller] agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.

3. In the event of the [contractor/seller] noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.

4. The [contractor/seller] agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the [contractor/seller]'s obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities.

The [contractor/seller] must ensure that applicants or employees with disabilities are provided the notice in a form that is accessible and understandable to the individual applicant or employee (e.g., providing Braille or large print versions of the notice, or posting a copy of the notice at a lower height for easy viewing by a person using a wheelchair). With respect to employees who do not work at a physical location of the [contractor/seller], a [contractor/seller] will satisfy its posting obligations by posting such notices in an electronic format, provided that the [contractor/seller] provides computers, or access to computers, that can access the electronic posting to such employees, or the [contractor/seller] has actual knowledge that such employees otherwise are able to access the electronically posted notices. Electronic notices for employees must be posted in a conspicuous location and format on the company's intranet or sent by electronic mail to employees. An electronic posting must be used by the [contractor/seller] to notify job applicants of their rights if the [contractor/seller] utilizes an electronic application process. Such electronic applicant notice must be conspicuously stored with, or as part of, the electronic application.

5. The [contractor/seller] will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the [contractor/seller] is bound by the terms of section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment, and shall not discriminate against, individuals with physical or mental disabilities.

6. The [contractor/seller] will include the provisions of this clause in every subcontract or purchase order in excess of \$ 10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to section 503 of the act, as amended, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director, Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

7. The [contractor/seller] must, in all solicitations or advertisements for employees placed by or on behalf of the [contractor/seller], state that all qualified applicants will receive consideration for employment and will not be discriminated against on the basis of disability.

## **18. Dissemination or Disclosure of Information**

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

## **19. Contractor's Status**

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

## **20. Other Contractors**

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

## **21. Liens**

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

## **22. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)**

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

## **22. Procurement of Recovered Materials**

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of

recovered materials practicable consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract

**Exhibit G**  
**Additional General Provisions**

**Document on Following Page**

## ADDITIONAL GENERAL PROVISIONS

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

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

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

**9. SAMPLES:**

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

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

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

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

**12. ACCIDENT PREVENTION:** Precaution shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions issued by the Industrial Accident Commission of the State of California.

**13. INSURANCE:** Contractor shall not commence Work under this Agreement until all insurance required under this paragraph has been obtained and such insurance has been approved by HACSB, nor shall Contractor allow any subcontractor to commence work on a subcontract until all similar insurance required of the subcontractor has been so obtained and approved. Contractor shall furnish HACSB with satisfactory proof of the carriage of insurance required, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. Any policy of insurance required of Contractor under this Agreement shall also contain an endorsement providing that thirty (30) days' notice must be given in writing to HACSB of any pending change in the limits of liability or of any cancellation or modification of the policy. All insurance required hereunder shall be issued by a California admitted insurance carrier.

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

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

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

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

- b. Commercial General Liability Insurance. Contractor, at its own cost and expense, shall maintain personal injury liability and property damage insurance for the entire term of this Agreement in the amount of One Million and No/100 Dollars (\$1,000,000.00) per occurrence and not less than \$2,000,000 general aggregate. Such coverage shall include, but shall not be limited to, protection against claims arising from, and damage to property resulting from, activities contemplated under this Agreement. Such insurance shall be with insurers and under forms of policies satisfactory in all respects to HACSB and shall provide that notice must be given to HACSB at least thirty (30) days prior to cancellation or material change. The following endorsements shall be attached to the policy:

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

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

- c. Automobile Liability. Contractor, at its own cost and expense, shall maintain automobile insurance for the period covered by the Contract in the amount of One Million and No/100 Dollars (\$1,000,000.00) combined single limit coverage. Contractor shall be named as an additional insured with respect to such automobile liability insurance policy.
- d. Errors and Omissions Liability: \$1,000,000; combined single limit bodily and property damage liability per occurrence and \$3,000,000 aggregate or:
- e. Professional Liability: \$1,000,000; per occurrence and aggregate.
- f. Worker's Compensation. A state approved Workers Compensation and Employers Liability Insurance policy providing benefits as required by law with employer's liability limits no less than One Million and No/100 Dollars (\$1,000,000) per accident or disease, which covers all employees of the contractor and each and every contractor.
- g. Crime/Fidelity Insurance: \$250,000 sufficient to cover all agents and employees employed by Property Manager.

14. **FORCE MAJEURE:** Contractor shall be excused for performing the Work hereunder in the event that Contractor is unable to perform the Work for one of the following reasons:

- a. Acts of God or of the public enemy, and
- b. Acts of the federal, state or local government in either its sovereign or contractual capacity.

Such delay shall be for the period of time that Contractor is delayed from performing the Work as a direct result of one of the foregoing reasons. Contractor shall provide HACSB notice within three (3) days of any such force majeure event.

15. **CONTRACTOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY:**

- a. Contractor shall be liable for damages arising out of injury to the person and/or damage to the property of HACSB, employees of HACSB, persons designated by HACSB for training, or any other person(s) other than agents or employees of Contractor, designated by HACSB for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the goods either at Contractor's site or at

HACSB's place of business, provided that the injury or damage was caused by the fault or negligence of Contractor.

- b. Contractor shall not be liable for damages arising out of or caused by an alteration or an attachment not made or installed by Contractor, or for damage to alterations or attachments that may result from the normal operation and maintenance of the goods provided by Contractor during the Agreement.
16. **INVOICES:** Unless otherwise specified, invoices shall be sent to the address set forth herein. Invoices shall be submitted in triplicate and shall include the contract number; release order number (if applicable); item number; unit price, extended item price and invoice total amount. The State of California and other sales tax and/or use tax shall be itemized separately and added to each invoice as applicable.
17. **REQUIRED PAYMENT DATE:** Payment will be made in accordance with the provisions of the Agreement for work completed through the date of invoice. HACSB will pay properly submitted, undisputed invoices not more than thirty (30) days after (i) the date of acceptance of goods or performance of services; or (ii) receipt of an undisputed invoice, whichever is later.
18. **TAXES:** HACSB will only pay for any state or local sales or use taxes on the services rendered or goods supplied to HACSB pursuant to this Agreement.
19. **NEWLY MANUFACTURED GOODS:** All goods furnished under this contract shall be newly manufactured goods; used or reconditioned goods are prohibited, unless otherwise specified.
20. **NEWS RELEASES:** Unless otherwise exempted, news releases pertaining to this Agreement shall not be made without prior written approval of HACSB.
21. **PATENT, COPYRIGHT and TRADE SECRET INDEMNITY:**
  - a. Contractor shall hold HACSB, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses, for infringement or use of any copyrighted or un-copyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in connection with the Agreement.
  - b. Contractor may be required to furnish a bond to HACSB against any and all loss, damage, costs, expenses, claims and liability for patent, copyright and trade secret infringement.
  - c. Contractor, at its own expense, shall defend any action brought against HACSB to the extent that such action is based upon a claim that the goods or software supplied by Contractor or the operation of such goods pursuant to a current version of Contractor supplied operating software infringes a United States patent or copyright or violates a trade secret. Contractor shall pay those costs and damages finally awarded against HACSB in any such action. Such defense and payment shall be conditioned on the following:
    - i. That Contractor shall be notified within a reasonable time in writing by HACSB of any notice of such claim; and,
    - ii. That Contractor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise, provided, however, that when principles of government or public law are involved, HACSB shall have the option to participate in such action at its own expense.
  - d. Should the goods or software, or the operation thereof, become, or in Contractor's opinion are likely to become, the subject of a claim of infringement of a United States patent or copyright or a trade secret, HACSB shall permit Contractor at its option and expense either to procure for HACSB the right to continue using the goods or software, or to replace or modify the same so that they become non-infringing. If none of these options can reasonably be taken, or if the use of such goods or software by HACSB shall be prevented by injunction, Contractor agrees to take back such goods or software and make every reasonable effort to assist HACSB in procuring substitute goods or software. If, in the sole opinion of HACSB, the return of such infringing goods or software makes the retention of other goods or software acquired from Contractor under this Agreement impractical, HACSB shall then have the option of terminating such Agreement, or applicable portions thereof, without penalty or termination charge. Contractor agrees to take back such goods or software and refund any sums HACSB has paid Contractor.
  - e. Contractor shall have no liability to HACSB under any provision of this clause with respect to any claim of patent, copyright or trade secret infringement which is based upon:
    - i. The combination or utilization of goods furnished hereunder with equipment or devices not made or furnished by Contractor; or,
    - ii. The operation of equipment furnished by Contractor under the control of any operating software other than, or in addition to, the current version of Contractor-supplied operating software; or
    - iii. The modification by HACSB of the equipment furnished hereunder or of the software; or

- iv. The combination or utilization of software furnished hereunder with non-Contractor supplied software.
- f. Contractor certifies that it has appropriate systems and controls in place to ensure that HACSB funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- g. The foregoing states the entire liability of Contractor to HACSB with respect to infringement of patents, copyrights or trade secrets.

**22. STOP WORK:**

- a. HACSB may, at any time, by written Stop Work order ("Stop Work Order") to Contractor, require Contractor to stop all, or any part, of the Work called for by this Agreement for a period up to ninety (90) days after the Stop Work Order is delivered to Contractor, and for any further period to which the parties may agree. The Stop Work Order shall be specifically identified as such and shall indicate it is issued under this clause. Upon receipt of the Stop Work Order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within a period of ninety (90) days after a Stop Work Order is delivered to Contractor, or within any extension of that period to which the parties shall have agreed, HACSB shall either:
  - i. Cancel the Stop Work Order; or
  - ii. Terminate the Work covered by the Stop Work Order as provided for in the termination for default or the voluntary termination provision of this Agreement.
  - iii. If a Stop Work Order issued under this clause is canceled or the period of the Stop Work Order or any extension thereof expires, Contractor shall resume work. HACSB shall make an equitable adjustment in the delivery schedule, the price, or both, and the Agreement shall be modified, in writing, accordingly, if:
    - 1. The Stop Work Order results in an increase in the time required for, or in Contractor's cost properly allocable to the performance of any part of this Agreement; and
    - 2. Contractor asserts its right to an equitable adjustment within thirty (30) days after the end of the period of work stoppage; provided that if HACSB decides the facts justify the action, HACSB may receive and act upon a proposal submitted at any time before final payment under this Agreement.
- b. If a Stop Work Order is not canceled and the Work covered by the Stop Work Order is terminated in accordance with the provision entitled Voluntary Termination, HACSB shall allow reasonable costs resulting from the Stop Work Order in arriving at the termination settlement.
- c. HACSB shall not be liable to Contractor for loss of profits because of a Stop Work Order issued under this clause.

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

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

HACSB shall have the right to audit Contractor, at any time, in order to ensure compliance with the requirements of this Section. In connection therewith, Contractor agrees to maintain accurate books and records in connection with

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

- 25. CALIFORNIA PREVAILING WAGE (IF AGREEMENT PRICE IS LESS THAN \$2,000):** In the event the Agreement Price is less than \$2,000, Contractor agrees to comply with all prevailing rate requirements of the California Labor Code. HACSB shall have the right to audit and inspect Contractor's books and records, and interview Contractor's employees, contractors and subcontractors, all according to the same provisions set forth in Section 26 above.
- 26. EQUAL EMPLOYMENT OPPORTUNITY:** For all construction agreements in excess of \$10,000, Contractor certifies its compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60).
- 27. NONDISCRIMINATION CLAUSE:**
- a. During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
  - b. Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.
- 28. NATIONAL LABOR RELATIONS BOARD CERTIFICATION:** Contractor swears under penalty of perjury that no more than one final, unappealable finding of contempt of court by a federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of the National Labor Relations Board. This provision is required by, and shall be construed in accordance with, Public Contract Code Section 10296.
- 29. DRUG-FREE WORKPLACE CERTIFICATION:** Contractor certifies under penalty of perjury under the laws of the State of California that Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:
- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).
  - b. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:
    - i. the dangers of drug abuse in the workplace;
    - ii. the person's or organization's policy of maintaining a drug-free workplace;
    - iii. any available counseling, rehabilitation and employee assistance programs; and,
    - iv. penalties that may be imposed upon employees for drug abuse violations.

- c. Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed or resulting agreement:
    - i. will receive a copy of the company's drug-free policy statement; and,
    - ii. will agree to abide by the terms of the company's statement as a condition of employment on the agreement.
- 30. **RECYCLING:** Contractor shall certify in writing under penalty of perjury, compliance with Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to HACSB regardless of whether the product meets the requirements of Section 12209.
- 31. **COMPLIANCE WITH CONTRACT WORK HOURS AND SAFETY STANDARDS ACT:** For agreements in excess of \$2,000, and in excess of \$2500 for other agreements which involve the employment of mechanics or laborers, Contractor certifies that it complies with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5).
- 32. **CHILD SUPPORT COMPLIANCE ACT:** For any contract in excess of \$100,000, Contractor acknowledges in accordance with Public Contract Code Section 7110, that:
  - a. Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable State of California and Federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and
  - b. Contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- 33. **ELECTRONIC WASTE RECYCLING ACT OF 2003:** Contractor certifies that it complies with the requirements of the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of Division 30, commencing with Section 42460 of the Public Resources Code, relating to hazardous and solid waste. Contractor shall maintain documentation and provide reasonable access to its records and documents that evidence compliance.
- 34. **ENVIRONMENTAL REGULATIONS:** For agreements in excess of \$100,000, Contractor certifies that it complies with the requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (3 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 C.F.R. part 15).
- 35. **USE TAX COLLECTION:** In accordance with PCC Section 10295.1, Contractor certifies that it complies with the requirements of Section 7101 of the Revenue and Taxation Code. Contractor further certifies that it will immediately advise HACSB of any change in its retailer's seller's permit or certification of registration or applicable affiliate's seller's permit or certificate of registration as described in subdivision (a) of PCC Section 10295.1.
- 36. **DOMESTIC PARTNERS:** For agreements over \$100,000 executed or amended after January 1, 2007, Contractor certifies that Contractor is in compliance with Public Contract Code Section 10295.3.

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

**July 8, 2025**

## **FROM**

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

## **SUBJECT**

Memorandum of Understanding with Inland Empire Health Plan to Co-Locate Program Services at the Community Wellness Center in Victorville

## **RECOMMENDATION(S)**

1. Approve a non-financial Memorandum of Understanding with Inland Empire Health Plan to co-locate program services at the Community Wellness Center in Victorville, effective through December 31, 2029.
2. Authorize the Executive Director to execute and deliver the agreement to Inland Empire Health Plan, 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 #4: To utilize research and technology to drive innovative programming and operational processes which allow us to be more responsive and result in the advancement of the families we serve.**

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

## **FINANCIAL IMPACT**

The recommended Memorandum of Understanding (MOU) is non-financial and as such does not have a financial impact on the Housing Authority of the County of San Bernardino (HACSB).

## **BACKGROUND INFORMATION**

The Inland Empire Health Plan (IEHP) is one of the top 10 largest health plans in the country with 1.5 million members and nearly 6,000 providers. In order to promote a wellness-based lifestyle for its members, IEHP has opened various Community Wellness Centers (CWC) across Riverside and San Bernardino Counties. The CWC facilities provide health, nutrition and wellness classes including case management for its members. Furthermore, in order to address needs related to social determinants of health, the CWC in Victorville also offers office space for various community partners to co-locate their respective program services at the center. Office space, furniture and supplies are offered at no charge for community partners who agree to provide staff to work at the location. HACSB has been invited to be one of these partners. IEHP recognizes that its members and the community have needs that may lie outside of traditional healthcare but directly impact their health. Lack of housing, food/nutrition, education, transportation, are just a few social determinants of health that the community resource center strives to address. Addressing these social determinants of health will positively impact a family's overall health and wellness. We know that addressing one need is not enough.

Memorandum of Understanding with Inland Empire Health Plan to Co-Locate Program Services  
at the Community Wellness Center in Victorville.

July 8, 2025

This is a great opportunity for HACSB to provide resources to its housing program participants in real time rather than soft referrals. HACSB staff will perform their normal duties with some reduction in tasks to compensate for limited engagement with IEHP members.

HACSB began its partnership with IEHP on November 1, 2020. The purpose of this new MOU is to align all onsite partners. This new MOU will supersede the previous MOU and will remove any reference to a Housing Services Specialist (HSS) being onsite to provide HSS-related services. The term of the MOU begins when all parties sign and remains in effect through December 31, 2029.

**PROCUREMENT**

Not applicable.

**ITEM ATTACHMENTS**

- CON-BOC-7.8.25 MOU Collocated Partner Agreement-HACSB.IEHP

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 22, 2025.

**MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**INLAND EMPIRE HEALTH PLAN**

**AND**

**HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO (HACSB)**

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU” or “Agreement”) is made and entered into by and between Inland Empire Health Plan (“IEHP”), a local public entity of the State of California, and Housing Authority of the County of San Bernardino (HACSB) (“PARTNER”), a public entity, with references to the following facts:

WHEREAS, PARTNER and IEHP have complementary objectives to protect and promote the health of the general population and seek to become working partners in preventing disease, prolonging life, and promoting mental and physical health through organized community efforts; and

WHEREAS, IEHP is the Lessee of property located at 12353 Mariposa Road, Victorville, CA, 92395, hereinafter referred to as the Victorville Community Wellness Center (“VV CWC”); and

WHEREAS, IEHP will provide PARTNER dedicated space within the VV CWC through which PARTNER can outreach to the public about the programs and/or education offered by PARTNER;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

### 1. SERVICES

- A. Description Of Services. PARTNER shall provide educational programming and case management services aimed at enhancing community economic stability; as set forth in Attachment A, attached hereto, and incorporated herein by reference.
- B. Scope Of Services. PARTNER shall furnish labor necessary to perform in a complete, skillful and professional manner all those services described in Attachment A.

### 2. PERIOD OF PERFORMANCE

The term of this Agreement shall become effective as of the date of last signature, and shall continue in effect through December 31, 2029, unless terminated as specified in Section 13 (TERMINATION PROVISION)

### 3. COMPENSATION

No compensation will be exchanged between the parties. IEHP shall offer PARTNER dedicated space to offer the services as indicated in Attachment A.

#### **4. PROTECTED HEALTH INFORMATION (PHI)**

The Parties agree there is no expectation of disclosure or use of any protected health information, whether physical or electronic ("PHI") for the purposes of this Agreement. PHI is defined as information relating to the provision of health care to an individual, or payment for the provision of health care to an individual, and contains information that identifies the individual or can be used to identify the individual.

#### **5. JOINT OPERATING MEETINGS & TRAINING**

- A. Joint Operating Meetings. PARTNER shall be required to attend monthly operating meetings with IEHP staff.
- B. Training. PARTNER shall be required to participate in the following required IEHP trainings (But not limited to):
  - 1) Orientation
  - 2) VV CWC Onboarding
  - 3) IEHP/VV CWC Overview
  - 4) PHI/Compliance Training
  - 5) Motivational Interviewing
  - 6) Cultural Competencies
  - 7) Social Determinants of Health
  - 8) Time Management
  - 9) Conflict Resolution
  - 10) Lesson Planning
  - 11) COVID-19 Protocols

#### **6. IEHP PROPERTY**

Dedicated Space. IEHP is providing PARTNER a dedicated office space within IEHP's Victorville Community Resource Center (VV CWC) location for the purposes of providing the services set forth in Attachment A ("Dedicated Space"). This use shall not be construed as creating a license or any other interest in real property to use and occupy the Dedicated Space. IEHP shall maintain full control over PARTNER's use of the Dedicated Space.

#### **7. BACKGROUND CHECKS**

PARTNER acknowledges that IEHP has guidelines relating to criminal and other background checks of its employees, and that IEHP expects PARTNER to follow similar guidelines for all employees and contractors of PARTNER who are now, or in the future will be, performing services at IEHP's VV CWC pursuant to this Agreement. Accordingly, PARTNER agrees that

it will conduct, at its own expense, criminal and other background checks on all employees and contractors providing such services at IEHP's VV CWC.

## **8. OPERATING RESPONSIBILITIES & IEHP PROPERTY**

### **A. Hours of Operations:**

- 1) PARTNER is required to provide a dedicated resource to provide the services set forth in Attachment A, during the following operating hours schedule:
  - PARTNER acknowledges that it is expected to be available to provide services Monday through Friday during IEHP's hours of operation for no less than thirty-five (35) hours per week, excluding holidays, office closures and PARTNER's 9/80 closure Fridays. On weeks that contain PARTNER's 9/80 closure Friday, PARTNER shall only provide services Monday through Thursday for 35 hours per week.
- 2) The above sets forth the minimum time commitment for PARTNER to provide services. PARTNER is permitted to provide services outside of their minimum time commitment. Notwithstanding the foregoing, PARTNER shall not use IEHP's premises outside of IEHP's posted hours of operation, without prior authorization from IEHP.

## **9. INDEPENDENT CONTRACTOR**

It is understood and agreed that PARTNER is an independent contractor, and that no relationship of employer-employee exists between the parties hereto. Neither party's officers, agents, employees or subcontractors, shall be entitled to any benefits payable to employees of the other party, including Workers' Compensation Benefits.

## **10. INDEMNIFICATION**

PARTNER shall indemnify, and hold harmless IEHP, its officers, employees and agents from any liability whatsoever, including wrongful death, based or asserted upon any act or omission of the PARTNER, its employees, subcontractors and agents relating to or in any way connected with its work or performance of service under this Agreement. As part of the foregoing indemnity, PARTNER agrees to protect and defend at its own expense, including attorneys' fees, IEHP, its officers, agents and employees in any legal action based upon any such alleged acts or omissions. The terms of this Section shall survive the termination of this Agreement.

## 11. INSURANCE

Without limiting or diminishing PARTNER's obligation to indemnify or hold IEHP harmless, PARTNER shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage during the term of this Agreement.

- A. Workers' Compensation - covering all of PARTNER's personnel performing services under this Agreement as prescribed by the laws of the jurisdiction where work is performed. Policy shall include Employers' Liability including Occupational Disease with limits not less than \$750,000 per person per accident.
- B. Commercial General Liability - including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit, with a general aggregate limit of no less than two (2) times the occurrence limit.
- C. Professional Liability - a limit of liability not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. PARTNER shall ensure continuous coverage for such length of time as necessary to cover any and all claims (i.e. appropriate Tail Coverage for coverage written on a claims made basis, etc.).
- D. General Insurance Provisions – All lines.
  - 1) Insurance to be provided through the duly-authorized insurance pool, Housing Authorities Risk Retention Pool (HARRP).
  - 2) PARTNER must declare any deductibles or self-insured retentions ("SIRs") for insurance coverage required to be approved by IEHP. Should any deductibles or SIRs be unacceptable to IEHP, IEHP may require PARTNER to: 1) reduce or eliminate such deductibles or SIRs; 2) provide proof of ability to pay such required fees/expenses within the retention or deductible; and 3) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
  - 3) PARTNER shall furnish IEHP with the original Certificate(s) of Insurance or amendatory endorsements effecting coverage as required herein, showing such insurance is in full force and effect. Further, PARTNER shall provide no less than thirty (30) days' written notice to IEHP prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In such event, this Agreement shall terminate forthwith, unless IEHP receives, prior to such effective date, another properly executed original Certificate of Insurance, including all endorsements, evidencing the coverage set forth herein are in full force and effect. **PARTNER shall not commence operations until IEHP has been furnished original Certificate(s) of Insurance and endorsements.**

- 4) PARTNER's insurance shall be construed as primary insurance, and IEHP's insurance shall not be construed as contributory. Additionally, the above-referenced policies shall be endorsed to waive subrogation in favor of IEHP and name IEHP as an Additional Insured, where applicable.
- 5) PARTNER shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.
- 6) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to IEHP.
- 7) PARTNER agrees to notify IEHP of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

## **12. TERMINATION PROVISION**

- A. Termination for Convenience. Either party may terminate this Agreement, for convenience, upon sixty (60) days' written notice to the other party.
- B. Termination for Cause. Should either party determine that there is a basis for termination for cause, such termination shall be effected upon five (5) days' written notice to the other party.

## **13. NONDISCRIMINATION**

This Agreement hereby incorporates by reference the provisions of Title 2, CCR, Sections 11105 et seq., as may be amended from time to time. PARTNER agrees to comply with the provisions of Title 2, CCR, Sections 11105 et seq., and further agrees to include this Nondiscrimination Clause in any and all subcontracts to perform services under this Agreement.

## **14. CONFLICT OF INTEREST**

PARTNER shall have no interest, and shall not acquire any interest, direct or indirect, which will unlawfully conflict in any manner or degree with the performance of services required under this Agreement.

## **15. EXECUTIVE ORDER N-6-22**

On March 4, 2022, California 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, as well as any sanctions imposed under state law. The EO directs all California state agencies and departments 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. All subcontractors and grantees are obligated to comply with the Economic Sanctions. Accordingly, should the State of California (the State) or IEHP determine PARTNER 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. PARTNER shall be provided with advance written notice of such termination, allowing PARTNER at least thirty (30) calendar days to provide a written response. Termination shall be at the sole discretion of the State or IEHP.

## **16. NOTICES**

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below, or to such other address(es) the parties may hereafter designate in writing. Delivery and are deemed submitted one day after their deposit in the United States mail, postage prepaid:

**IEHP:**

Jarrod McNaughton, MBA, FACHE  
Chief Executive Officer  
10801 Sixth Street  
Rancho Cucamonga, CA 91730  
(909) 890-2000  
Cc: IEHP Legal Department

**PARTNER:**

Maria Razo  
Executive Director  
Housing Authority of San Bernardino  
715 E. Brier Drive  
San Bernardino, CA 92408  
(909) 332-6305

or to such other address(es) as the parties may hereafter designate, in writing.

## **17. SEVERABILITY**

The provisions of this Agreement are severable, in whole or in part, and if any part is found to be unenforceable, the other parts shall remain fully valid and enforceable.

## **18. WAIVER**

Waiver by either party of any breach of any one (1) or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same term or of any other term herein.

## **19. GOVERNING LAW; VENUE**

- A. This Agreement is made and entered into in the State of California and shall be construed under the laws of the State of California excluding its conflicts of law provisions. The provisions of the Government Claims Act (Government Code Section 900, *et seq.*) must be followed first for any disputes under this Agreement.
- B. All actions and proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the state or federal (if permitted by law and a party elects to file an action in federal court) courts located in the counties of San Bernardino or Riverside, State of California.

## **20. LIMITATION OF LIABILITY**

Without affecting the indemnification obligations set forth in this Agreement, in no event shall either party be liable for consequential, indirect, or incidental damages, including, without limitation, lost profits, arising out of the services provided under this Agreement.

## **21. COUNTERPARTS; SIGNATURE**

This Agreement may be executed in one or more duplicates or counterparts, any one of which shall be deemed to be the original. The Parties' faxed signatures, and/or signatures scanned into PDF format, shall be effective to bind them to this Agreement.

## **22. ENTIRE AGREEMENT**

This Agreement, including all attachments and manuals, is the entire agreement between the Parties, supersedes all prior agreements, promises, negotiations or representations, either oral or written between the Parties with respect to the subject matter and period governed by this Agreement. This Agreement may not be assigned or delegated, either in whole or in part, amended, changed, terminated or modified in any respect or particular, unless the same shall be in writing and signed by the party charged.

### **23. COMPLIANCE WITH LAW**

The parties shall observe and comply with all applicable local, state and federal laws, ordinances, rules and regulations now in effect or hereafter enacted, each of which is hereby made a part hereof and incorporated herein by reference.

### **24. CERTIFICATION OF AUTHORITY TO EXECUTE THIS AGREEMENT**

PARTNER certifies that the individual signing below has authority to execute this Agreement on behalf of PARTNER, and may legally bind PARTNER to the terms and conditions of this Agreement, and any attachments hereto.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding in as set forth below.

**HOUSING AUTHORITY OF SAN  
BERNARDINO COUNTY:**

By: \_\_\_\_\_  
Maria Razo  
Executive Director

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

**INLAND EMPIRE HEALTH PLAN:**

By: \_\_\_\_\_  
Jarrod McNaughton, MBA, FACHE  
Chief Executive Officer

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

By: \_\_\_\_\_  
Chair, IEHP Governing Board

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

Attest: \_\_\_\_\_  
Secretary, IEHP Governing Board

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

Approved as to Form:

By: \_\_\_\_\_  
Anna W. Wang  
Vice President, General Counsel  
Inland Empire Health Plan

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

**ATTACHMENT A**  
**SCOPE OF SERVICES**

**HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO  
(HACSB)**

**I. Partnership Description**

The partnership between the Housing Authority of the County of San Bernardino (HACSB) and IEHP Victorville Community Wellness Center (VV CWC) focuses on providing educational programming and case management services aimed at enhancing community economic stability. HACSB staff will offer customer service hours to inform the public about housing programs. Additionally, HACSB will manage cases for current clients and will collaborate with IEHP's VV CWC to provide referrals and aggregate data on economic independence achievements.

**II. Partnership Goals**

The primary goal of this partnership is to increase access to community resources and social services, ultimately contributing to community economic stability. The partnership also aims to track high-level income improvements among clients through recertifications and interims, providing IEHP with aggregate data to monitor progress.

**III. Programming**

PARTNER shall perform the services as described below, but is not limited to:

- Workshop/Classes: Based on capacity HACSB will schedule monthly workshops on its programs that include topics such as:
  - Eligibility
  - How to apply
  - Working towards self-sufficiency
- Case Management: HACSB staff will continue to provide case management services for existing HACSB clients at the site. HACSB will not be able to provide case management services to non-program participants.

**IV. IEHP VV CWC Requirements**

PARTNER agrees to attend IEHP Professional Development Trainings quarterly, as needed. Minimum of one person required to attend per organization. Trainings may include (But not limited to):

- VV CWC Onboarding
- IEHP/VV CWC Overview
- PHI/Compliance Training

- Motivational Interviewing
- Cultural Competencies
- Social Determinants of Health
- Time Management
- Conflict Resolution
- Lesson Planning
- COVID-19 Protocols

## V. Administrative and Operational Responsibilities

### A. Availability

- **On-site Schedule:** Monday through Friday, 8:00 a.m. to 5:00 p.m.
- **Availability:** Services should align with IEHP's operating hours, ensuring at least 35 hours per week, excluding holidays, and office closures.
- **Premises Use:** Use of the premises outside of posted hours requires prior written authorization from IEHP.
- **Additional Services:** PARTNER can offer services beyond the minimum time commitment but must still adhere to IEHP's posted operating hours without prior approval.

### B. Administrative tasks may include but are not limited to:

- Meetings with IEHP staff (monthly, one hour, as needed)
- VV CWC database management (data tracking)
- Provide recurrent Participant testimony using the IEHP template
- Social media follow-ups
- Participant engagement (1:1, group)
- Booking appointments for 1:1
- Classes/Workshops
- Events
- Case Management
- Accommodating walk-ins & phone calls

## VI. Metrics and Evaluation

To align with the goals of increasing access to community resources and social services, HACSB will submit the following monthly reports:

### A. Monthly Testimony (Success Story):

- A narrative highlighting a successful outcome or client experience.

## B. Metrics to Achieve Community Economic Stability:

- Housing-Focused Classes:
  - HACSB will provide 2-6 housing-focused classes onsite each month for potential participants and landlords.
- Case Management:
  - HACSB will continue managing approximately 475 clients per case worker while onsite.
- Referrals and Collaborations:
  - HACSB will refer around 25 clients per month to onsite partners and VV CWC teams and collaborate by providing warm hand-offs to these partners and VV CWC staff.
- Aggregate Data on Economic Independence:
  - HACSB will provide aggregate data reflecting client achievements of economic independence.

## C. Deliverables

- Number of Housing-Focused Classes Provided:
  - HACSB will conduct 2-6 classes per month to inform potential clients about Housing Authority programs and engage potential landlords.
- Number of Clients Case Managed:
  - Approximately 475 clients per case worker will be managed by HACSB staff.
- Number of Referrals to Onsite Partners and VV CWC:
  - About 25 clients per month will be referred to onsite partners and VV CWC teams.
- High-Level Recertification Data:
  - Monthly recertifications for 20-25 clients and approximately 10 interims will be conducted to track income improvements. Only high-level, aggregate data will be provided to IEHP to monitor economic stability progress in the High Desert community.

## VII. Equipment and Materials

Except as otherwise indicated in this agreement, the PARTNER shall provide, at their expense, all equipment, tools, and other materials necessary to deliver the services indicated herein.

#### VIII. Service Locations

All services shall be rendered at IEHP Victorville Community Wellness Center as well as any other locations agreed upon by both parties.

Victorville Community Wellness Center  
12353 Mariposa Road, Ste C2 & C3  
Victorville, CA 92395

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

**July 8, 2025**

## **FROM**

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

## **SUBJECT**

Memorandum of Understanding with County of San Bernardino Department of Behavioral Health for the Mainstream Voucher Program

## **RECOMMENDATION(S)**

1. Approve Memorandum of Understanding with County of San Bernardino Department of Behavioral Health for supportive services for the Mainstream Voucher Program for five years effective September 1, 2025 through August 31, 2030.
2. Authorize the Executive Director to execute and deliver the Memorandum of Understanding to County of San Bernardino Department of Behavioral Health and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.

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

## **STRATEGIC PLAN ALIGNMENT**

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

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

**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**

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

## **BACKGROUND INFORMATION**

The Mainstream Voucher Program (Program), administered by HACSB, provides housing subsidies with supportive services to up to 372 individuals and families with a household member who is a non-elderly person with disabilities.

As a condition to apply for Mainstream vouchers, the 2019 Notice of Funding Availability (NOFA) required housing authorities to provide evidence of partnerships with service agencies to help ensure voucher utilization and the provision of voluntary supportive services to Program participants. DBH provided letters of support, and upon receipt of an additional 117 Mainstream vouchers, formalized the partnership with the current MOU. The MOU defines HACSB's role in providing housing subsidies and DBH's role in providing community-based services to Program participants in order to achieve and maintain an enriched quality of life.

Memorandum of Understanding with County of San Bernardino Department of Behavioral Health for the Mainstream Voucher Program  
July 8, 2025

An amendment to the current MOU was previously approved by the Board of Commissioners on July 11 2023, extending the term of the original agreement from September 1, 2023, through August 31, 2025 in accordance with the County of San Bernardino's policy, which permits only one two-year extension.

The current MOU amendment with DBH for supportive services for the Mainstream program is ending on August 31, 2025. The recommended agreement will allow HACSB and DBH to continue to work together providing housing subsidies and supportive services to families in need through August 31, 2030. DBH and HACSB will continue to review, monitor, and evaluate program outcomes to ensure adherence to requirements of the MOU.

**PROCUREMENT**

Not applicable.

**ITEM ATTACHMENTS**

Contract – CON-BOC-070825 MOU with DBH for Mainstream

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 22, 2025.



**Contract Number**

**SAP Number**

## Department of Behavioral Health

<b>Department Contract Representative</b>	Desiree Alfaro
<b>Telephone Number</b>	909-388-0932
<b>Contractor</b>	Housing Authority of the County of San Bernardino
<b>Contractor Representative</b>	Maria Razo
<b>Telephone Number</b>	909-890-0644
<b>Contract Term</b>	September 1, 2025, to August 31, 2030
<b>Original Contract Amount</b>	N/A
<b>Amendment Amount</b>	
<b>Total Contract Amount</b>	N/A
<b>Cost Center</b>	
<b>Grant Number (if applicable)</b>	

### IT IS HEREBY AGREED AS FOLLOWS:

*(Use space below and additional bond sheets. Set forth service to be rendered, amount to be paid, manner of payment, time for performance or completion, determination of satisfactory performance and cause for termination, other terms and conditions, and attach plans, specifications, and addenda, if any.)*

**MEMORANDUM OF UNDERSTANDING**  
**Between**  
**HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO**  
**and**  
**COUNTY OF SAN BERNARDINO DEPARTMENT OF BEHAVIORAL HEALTH**  
**for**  
**MAINSTREAM VOUCHER PROGRAM SEPTEMBER 1, 2025 - AUGUST 31, 2030**

**WHEREAS**, the County of San Bernardino Department of Behavioral Health, hereafter referred to as DBH, provides mental health services to consumers and their families in San Bernardino County; and

**WHEREAS**, the Housing Authority of the County of San Bernardino, hereafter referred to as HACSB, provides housing subsidies to individuals and families with a household member who is a non-elderly person with disabilities through the Mainstream Voucher Program; and

**WHEREAS**, DBH supported HACSB's Mainstream Voucher Program grant application by providing a Letter of Intent submitted with HACSB's grant application to provide certain community-based services to support Mainstream Voucher Program participants; and

**WHEREAS**, DBH and HACSB previously approved Memorandum of Understanding (MOU) # 20-863 in 2020 defining their respective roles in both providing housing subsidies and community-based services to Mainstream Voucher Program participants in order to achieve and maintain an enriched quality of life; and

**WHEREAS**, HACSB and DBH desire to continue to partner to provide these services;

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

## TABLE OF CONTENTS

I.	<u>PURPOSE</u>	3
II.	<u>DEFINITIONS</u>	3
III.	<u>HACSB SERVICE RESPONSIBILITIES</u>	5
IV.	<u>HACSB GENERAL RESPONSIBILITIES</u>	6
V.	<u>DBH SERVICE RESPONSIBILITIES</u>	6
VI.	<u>DBH GENERAL RESPONSIBILITIES</u>	7
VII.	<u>MUTUAL RESPONSIBILITIES</u>	7
VIII.	<u>FISCAL PROVISIONS</u>	8
IX.	<u>RIGHT TO MONITOR AND AUDIT</u>	8
X.	<u>TERM</u>	9
XI.	<u>EARLY TERMINATION</u>	9
XII.	<u>INDEMNIFICATION</u>	9
XIII.	<u>GENERAL PROVISIONS</u>	9
XIV.	<u>CONCLUSION</u>	10

## ATTACHMENT A- BUSINESS ASSOCIATE AGREEMENT

## I. PURPOSE

The Mainstream Voucher Program (Program), administered by the HACSB, provides housing subsidies with supportive services to individuals and families with a household member who is a non-elderly person with disabilities and who is a resident of San Bernardino County. HACSB provides administration for housing assistance services. Housing subsidies for approximately one hundred and seventeen (372) Mainstream Vouchers are available. HACSB will work with DBH and other service providers to identify eligible individuals and families and provide needed services. DBH will refer eligible households to be assisted with housing subsidies and assist with the application process when the HACSB waiting list is open. HACSB will administer the housing subsidies and corresponding family obligation requirements. DBH will provide supportive services, such as mental health services and substance abuse treatment, to the target population that is a subset of the individuals and families eligible to participate in the Program.

The Program is a federal program funded by the Department of Housing and Urban Development (HUD) and HACSB is the grantee for Mainstream Vouchers. As such it is HACSB's responsibility to determine if the household meets the federal guidelines for Program eligibility.

## II. DEFINITIONS

- A. Administrative Plan - Policy manual that details rules and policies that govern the subsidized programs under the HACSB.
- B. Authorization for Release of Protected Health Information - A Health Insurance Portability and Accountability Act compliant authorization signed by the client or client's legal representative, authorizing DBH to release the client's information to a designated recipient. This form must be completed thoroughly with specified records to be shared, a designated time frame and expiration date, as well as a signature by the DBH client or his/her legal representative. If the form is signed by a legal representative, proof from the court system designating legal representation must accompany the request.
- C. Department of Behavioral Health (DBH) - DBH is responsible for providing specialty mental health services and/or substance use disorder services to County residents who are experiencing mental illness and/or substance use disorders. DBH provides treatment services and education for communities and residents of the County of San Bernardino through contracts with community-based organizations and County operated clinics with the goal of promoting prevention, intervention, recovery, and resiliency for individuals and families.
- D. Family- Is used interchangeably with "applicant", "participant" or "client."
- E. Family Obligations Agreement Voucher - Contract between the eligible participant and the HACSB that details the requirements, rules, policies, and responsibilities for participation in the Program. A contract signed by the eligible participant with HACSB does not preclude or override any requirements made by DBH or contained in the Landlord/tenant Lease.
- F. Health Insurance Portability and Accountability Act (HIPAA) - A federal law designed to improve portability and continuity of health insurance coverage in the group and individual markets, to combat waste, fraud, and abuse in health insurance and health care delivery, to promote the use of medical savings accounts, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes.
- G. Housing Quality Standards (HQS) Inspection - An inspection to ensure the unit meets health, safety and quality standards, under HUD guidelines, that takes place prior to the execution of the Lease between the Landlord and the tenant and before execution of the HAP Contract between the Landlord and the HACSB and is also conducted on annual basis to ensure ongoing compliance of the subsidized rental unit.
- H. Landlord - An individual, firm, corporation, partnership, HACSB or similar entity; or a designated property manager that holds title to the housing that receives funding through rental subsidies on behalf of this Program.

- I. Lease - The private market rental lease that outlines the rights and responsibilities of both the tenant and the Landlord during the lease term.
- J. Mental Health Service Activities - Mental health services are interventions designed to provide the maximum reduction of mental disability and restoration or maintenance of functioning consistent with the requirements for learning, development, independent living and enhanced self-sufficiency. Services shall be directed toward achieving the consumer's goals/desired result/personal milestones.
  - 1. Assessment is a clinical analysis of the history and current status of the consumer's mental, emotional, or behavioral disorder. Relevant cultural issues and history may be included where appropriate. Assessment may include diagnosis and the use of testing procedures.
  - 2. Case Management/Brokerage services are activities provided by program staff to access and monitor medical, educational, social, prevocational, rehabilitative, or other needed community services for eligible consumers.
  - 3. Crisis Intervention is a rapid emergency response service enabling the consumer to cope with a crisis, while maintaining his/her status as a functioning community member to the greatest extent possible. A crisis is an unplanned event that results in the consumer's need for immediate service intervention.
  - 4. Medication Support Services include staff persons practicing within the scope of their professions by prescribing, administering, dispensing and/or monitoring of psychiatric medications or biologicals necessary to alleviate the symptoms of mental illness.
  - 5. Therapy is a service activity that may be delivered to a consumer or group of consumers and may include family therapy (when the consumer is present). Therapeutic interventions are consistent with the consumer's goals/desired results and may focus on symptom reduction as a means to improve functional impairments.
- K. Personally Identifiable Information (PII) - PII is information that can be used alone or in conjunction with other personal or identifying information, which is linked or linkable to a specific individual. This includes: name, social security number, date of birth, address, driver's license, photo identification, other identifying number (case number, client index number, County's billing and transactional database system number /medical record number, etc.).
- L. Protected Health Information (PHI) - PHI is individually identifiable health information held or transmitted by a covered entity or its business associate, in any form or media, whether electronic, paper or oral. Individually identifiable information is information, including demographic data, that relates to the individual's past, present or future physical or mental health or condition; the provision of health care to the individual; or the past, present, or future payment for the provision of health care to the individual, and identifies the individual or for which there is reasonable basis to believe it can be used to identify the individual. PHI excludes individually identifiable health information in education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. 1232g; in records described at 20 U.S.C. 1232g(a)(4)(B)(iv); in employment records held by a covered entity in its role as employer; and regarding a person who has been deceased for more than fifty (50) years.
- M. Target Population - Individuals or families with a psychiatric or substance use disorder disabled household member between the ages of 18 and 62, and as of result a significant impairment in one or more areas of functioning in the following categories: health, self-care, housing, occupation, education, legal, money management, and interpersonal/social

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

- A. Provide housing services to qualified applicants from the Target Population and to other applicants qualified to participate in the Program. Services will be provided through the HACSB offices located in San Bernardino, Upland and Victorville or at other HACSB sites as needed.

- B. Maintain releases of information signed by each participant in the Program to ensure open communication between DBH and HACSB in order to support the household's access to community-based services.
- C. Provide housing services that include:
  - 1. Screening Eligibility and Verification of Applications: Screen applicants and ensure individuals meet the qualifications as outlined in the Administrative Plan and HUD determined guidelines governing the Program. Ensure families understand the obligations of the voucher.
  - 2. Orientation Briefings, Issuance of Family Obligations Agreement/ Voucher: Notify the applicant of acceptance into the Program and conduct orientation meetings to provide instructions to applicants on policies, the Family Obligations Agreement Voucher, and to outline applicant's rental responsibilities.
  - 3. Initial and Regular Housing Inspections: Inspect the rental property to assure that housing is decent, safe, and sanitary and in compliance with HUD's Housing Quality Standards
  - 4. Determination of Reasonable Rents: Determine if the contract rent for each Lease approved unit is reasonable in relation to rent currently charged for comparable units in the private unassisted market, and not in excess of rents currently being charged by the owner for comparable units.
  - 5. Payments to the Landlord: Approve payment of the difference between the rent approved by the HACSB and 30% of the participant's monthly income or other amount as provided in the HACSB's Administrative Plan. Generate monthly payments to appropriately disburse funds to owners of approved occupied units.
  - 6. Landlord Responsibilities: HACSB will ensure that Landlords understand their rights and responsibilities under the Program and respond to complaints and appeals regarding housing services.
- D. To the extent permitted by law, facilitate case conference meetings with DBH to discuss identification of barriers to housing navigation and retention, mutual problem solving, and future planning.
- E. Share the Program results in a quarterly report that details the number of vouchers issued, units leased/families housed, type of service coordination provided and overall utilization rate.

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

- A. HACSB shall protect from unauthorized use or disclosure of names and other identifying information concerning persons receiving services pursuant to this MOU, except for statistical information not identifying any participant. HACSB shall not use or disclose any identifying information for any other purpose other than carrying out HACSB obligations under this MOU, except as may be otherwise required by law. This provision will remain in force even after the termination of the MOU.
- B. HACSB shall comply with the terms and conditions as set forth in the attached Business Associate Agreement, hereby incorporated by this reference as Attachment A.

#### **V. DBH SERVICE RESPONSIBILITIES**

- A. Refer Target Population to HACSB.
- B. Assist persons with disabilities to apply to and obtain acceptance into the Mainstream Program.
- C. DBH and/or contracted vendor staff will provide voluntary intensive case management and mental health services for Medi-Cal or Medi-Cal eligible individuals with a chronic

behavioral health condition who qualify for Mainstream Voucher programs.

- D. Based on the need, DBH will provide behavioral health and case management services to assist in identifying and removing barriers to consumers successfully becoming employed, housed or educated to the level needed to achieve self-sufficiency.
- E. Ensure consumers receive appropriate behavioral health services and other services as needed either by direct service from a County clinic/program, referral to a contracted community based organization or through linkages to other social services. Services shall include, but are not limited to:
  - 1. Mental Health Services and/or Treatment
  - 2. Substance Use Disorder Services and/or Treatment, including Services for Co-Occurring Disorders
  - 3. Crisis Stabilization
  - 4. Inpatient Psychiatric Hospitalization
  - 5. Crisis Residential Treatment
  - 6. Case Management, including linkage to all health care
  - 7. Peer Support Activities
  - 8. Benefits Counseling and Advocacy
  - 9. Linkages to Educational Services
  - 10. Employment Services
- F. DBH will collect data in order to provide information about the services provided to Program voucher applicants and participants.
- G. Submit quarterly information to HACSB concerning services provided to applicants and participants by 10th of April, July, October and January in a form prescribed by HACSB.
- H. Cooperate with HACSB in the implementation, monitoring and evaluation of this MOU and comply with all reporting requirements established by this MOU.
- I. Obtain a valid Authorization for Release of PHI from DBH client prior to sharing any PHI with HACSB and in the performance of required services.

## **VI. DBH GENERAL RESPONSIBILITIES**

Pursuant to HIPAA, DBH has implemented administrative, physical, and technical safeguards to protect the confidentiality, integrity, and availability of PHI transmitted or maintained in any form or medium.

## **VII. MUTUAL RESPONSIBILITIES**

- A. DBH and HACSB agree they will establish mutually satisfactory methods for the exchange of such information as may be necessary in order that each party may perform its duties and functions under this agreement; and appropriate procedures to ensure all information is safeguarded from improper disclosure in accordance with applicable State and Federal laws and regulations.
- B. DBH and HACSB agree they will establish mutually satisfactory methods for problem resolution at the lowest possible level as the optimum, with a procedure to mobilize problem resolution up through DBH and HACSB's mutual chain of command, as deemed necessary.
- C. DBH and HACSB agree to develop and implement procedures, surveys and forms necessary to administer and document Program referral, participation, services, and effectiveness.
- D. DBH and HACSB agree they will collaborate in providing in-service training to staff.

- E. DBH and HACSB shall observe all federal, state, and county requirements, and applicable law concerning the confidentiality of behavioral health records. DBH and HACSB, as required by applicable law, shall strictly maintain confidentiality of behavioral health records of clients.
- F. Privacy and Security
  - 1. Both parties shall adhere to any County applicable privacy-related policies pertaining to PII. DBH has a specific responsibility to comply with all applicable State and Federal regulations pertaining to privacy and security of client PHI and strictly maintain the confidentiality of behavioral health records, and Contractor shall assist DBH in upholding said confidentiality by applying safeguards as discussed herein. Regulations have been promulgated governing the privacy and security of individually identifiable health information (IIHI) PHI or electronic Protected Health Information (ePHI).
  - 2. In addition to the aforementioned protection of IIHI, PHI and e-PHI, both parties shall adhere to the protection of personally identifiable information (PII) and Medi-Cal PII. PII includes any information that can be used to search for or identify individuals such as but not limited to name, social security number or date of birth. Whereas Medi-Cal PII is the information that is directly obtained in the course of performing an administrative function on behalf of Medi-Cal, such as determining eligibility that can be used alone in conjunction with any other information to identify an individual.
  - 3. Reporting Improper Access, Use, or Disclosure of Unsecure PHI and PII Upon discovery of any unauthorized use, access or disclosure of PHI or any other security incident with regards to PHI or PII, Contractor agrees to report to DBH no later than one (1) business day upon the discovery of a potential breach. The contractor shall cooperate and provide information to DBH to assist with appropriate reporting requirements to the DBH Office of Compliance
  - 4. Both parties shall ensure any DBH client PHI that is stored on its premises will be locked and secure in adherence to IIHI and PHI privacy requirements.
- G. DBH and HASCB shall not engage in any unlawful discriminatory practices on the basis of race, color, gender, gender identity, religion, marital status, national origin, age, sexual orientation, or mental or physical handicap, or disability. DBH and HASCB agree to and shall comply with the County's Equal Employment Opportunity Program, Employment Discrimination, and Civil Rights Compliance requirements

## **VIII. FISCAL PROVISIONS**

This is a non-financial MOU.

## **IX. RIGHT TO MONITOR AND AUDIT**

- A. DBH and HASCB staff or any subdivision or appointee thereof, and the State of California or any subdivision or appointee thereof, including the Inspector General, shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have absolute right to monitor the performance of each other in the delivery of services provided under this MOU. Full cooperation shall be given to each other in any auditing or monitoring conducted.
- B. DBH and HACSB shall cooperate with each other in the implementation, monitoring, and evaluation of this MOU and comply with any and all reporting requirements as established by this MOU and HUD in administering the Program.
- C. All records pertaining to service delivery and all fiscal, statistical and management books and records shall be available for examination and audit by DBH Fiscal Services staff, HASCB Fiscal Services staff, Federal, and State representatives for a period of ten (10) years after termination of the MOU or until all pending County, State, and Federal audits are completed, whichever is later. Records which do not pertain to the services under this MOU shall not be subject to review or audit unless otherwise provided in this MOU. Technical program data shall be retained locally and made available upon DBH's reasonable advance written notice or turned over to DBH.

- D. Parties shall provide all reasonable facilities and assistance for the safety and convenience of DBH and HASCB's representative in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work of DBH or HASCB.

## **X. TERM**

This MOU is effective as of September 1, 2025, and expires August 31, 2030, but may be terminated earlier in accordance with provisions of Section XI of this MOU. This MOU may be extended for three-year periods upon written agreement of both parties, unless terminated earlier under the provisions of Section XI.

## **XI. EARLY TERMINATION**

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

## **XII. INDEMNIFICATION**

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

## **XIII. GENERAL PROVISIONS**

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

## **XIV. CONCLUSION**

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

## BUSINESS ASSOCIATE AGREEMENT

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

### I. Definitions

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

transaction covered by the Privacy and Security Rules.

- D. "Data Aggregation" means, with respect to PHI created or received by a Business Associate in its capacity as the Business Associate of a Covered Entity, the combining of such PHI by the Business Associate with the PHI received by the Business Associate in its capacity as a Business Associate of another Covered Entity, to permit data analyses that relate to the health care operations of the respective Covered Entities.
- E. "Designated Record Set" means:
1. A group of records maintained by or for a covered entity that is:
    - (a) The medical records and billing records about individuals are maintained by or for a covered health care provider.
    - (b) The enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or
    - (c) Used, in whole or in part, by or for the covered entity to make decisions about individuals.
  2. For purposes of this paragraph, the term record means any item, collection, or grouping of information that includes protected health information and is maintained, collected, used, or disseminated by or for a covered entity.
- F. "Discovered" means a Breach shall be treated as discovered by Covered Entity or Business Associate as of the first day on which such Breach is known to such Covered Entity or Business Associate, respectively, (including any person, other than the individual committing the Breach, that is an employee, officer or other agent of such entity or associate, respectively) or should reasonably have been known to such Covered Entity or Business Associate (or person) to have occurred.
- G. "Electronic Protected Health Information" or "Electronic PHI" means PHI that is transmitted by or maintained in electronic media as defined in the Security Rule.
- H. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104- 191.
- I. "HITECH" means the privacy and security Breach notification provisions applicable to Business Associate under Title XIII of ARRA.
- J. "Individual" means the person who is the subject of PHI and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(9).
- K. "Individually Identifiable Health Information" means information that is a subset of health information, including demographic information collected from an individual, and;
1. is created or received by a health care provider, health plan, employer or health care clearinghouse; and
  2. relates to the past, present or future physical or mental health condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and
    - (a) that identifies the individual; or
    - (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.
- L. "Privacy Rule" means the regulations promulgated under HIPAA by the United States Department of Health and Human Services to protect the privacy of Protected Health Information, including, but not limited to, 45 CFR Part 160 and 45 CFR Part 164, Subpart A and Subpart E.
- M. "Protected Health Information" or "PHI" means Individually Identifiable Health Information transmitted or maintained in any form or medium that (i) is received by Business Associate from Covered Entity, (ii) Business Associate creates for its own

purposes from Individually Identifiable Health Information that Business Associate received from Covered Entity, or (iii) is created, received, transmitted or maintained by Business Associate on behalf of Covered Entity. Protected Health Information excludes Individually Identifiable Health Information in education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. Section 1232(9), records described at 20 U.S.C. Section 1232g(a)(4)(B)(iv), and employment records held by the Covered Entity in its role as employer.

- N. "Security' Rule" means the regulations promulgated under HIPAA by the United States Department of Health and Human Services to protect the security of the Electronic Protected Health Information, including, but not limited to, 45 CFR Part 160 and 45 CFR Part 164, Subpart A and Subpart C.
- O. "Unsecured PHI" means PHI that is not secured using a technology or methodology specified by the Secretary of the U.S. Department of Health and Human Services.
- P. Any terms capitalized, but not otherwise defined, in this Agreement shall have the same meaning as those terms have under HIPAA, the Privacy Rule, the Security Rule and HITECH.

## II. Obligations and Activities of Business Associate

### A. Prohibited Uses and Disclosures

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

Business Associate shall not use or disclose PHI for fundraising or marketing purposes. Business Associate shall not disclose PHI to a health plan for payment or health care operations purposes if the patient has requested this special restriction and has paid out of pocket in full for the health care item or service to which the PHI solely relates; 42 U.S.C. Section 17935(a) and 45 C.F.R. Section 164.522(a)(1)(i)(A). Business Associate shall not directly or indirectly receive remuneration in exchange for PHI, except with the prior written consent of Covered Entity and as permitted by HITECH, 42 U.S.C. Section 17935(d)(2); and 45 C.F.R. Section 164.508. However, this prohibition shall not affect payment by Covered Entity to Business Associate for services provided pursuant to this Agreement.

### B. Permitted Uses and Disclosures

- 1. Except as otherwise limited in this Agreement, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate. Business Associate must ensure disclosure of SUD Part 2 records/information is in alignment with 42 CFR Part 2 restrictions and requirements.
- 2. Except as otherwise limited in this Agreement, Business Associate may use PHI to provide Data Aggregation service to Covered Entity as permitted by 45 CFR Section 164.504(e)(2)(i)(B), WIC 5328 (25), or 42 Part 2.52 and/or 2.53.
- 3. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR Section 164.502U) (1), WIC 5328 (7) or (18) or (20) or 42 CFR Part 2.12 (5) or (6).
- 4. If Business Associate discloses PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable written assurances from such third party that such PHI will be held confidential as provided pursuant

to this Agreement and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) a written agreement from such third party to immediately notify Business Associate of any breaches of confidentiality of the PHI, to the extent it has obtained knowledge of such breach. [42 U.S.C. section 17932; 45 C.F.R. sections 164.504(e)(2)(i), 164.504(e)(2)(i)(B), 164.504(e)(2)(ii)(A) and 164.504(e)(4)(ii)].

C. Appropriate Safeguards

Business Associate shall implement the following administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of PHI that Business Associate creates, receives, maintains or transmits on behalf of Covered Entity; and to ensure that any agent or subcontractor to whom Business Associate provides such information agrees to implement reasonable and appropriate safeguards to protect PHI in accordance with the Security Rule under 45 C.F.R., Sections 164.308, 164.310, 164.312, 164.314 and 164.316:

1. Implement policies and procedures to prevent, detect, contain and correct security violations; identify the security official who is responsible for the development and implementation of the policies and procedures required by this subpart for the Business Associate; implement a security awareness and training program for all members of its workforce; implement policies and procedures to prevent those workforce members who should not have access from obtaining access to Covered Entity's Electronic PHI; implement policy and procedures to address security incidents; establish policies and procedures for responding to an emergency or other occurrence that damages systems that contain Electronic PHI; and perform a periodic technical and nontechnical evaluation in response to environmental or operational changes affecting the security of Electronic PHI, including conducting accurate and thorough assessments of the potential risks and vulnerabilities to the confidentiality, integrity and availability of Electronic PHI, that establishes the extent to which an entity's security policies and procedures meet the requirements of this subpart. If SUD Part 2 records/information are part of Business Associate's operations, formal policies and procedures must address 1) paper records and 2) electronic records, as specified in 42 CFR Part 2.16.
2. Implement policies and procedures to limit physical access to Business Associate's electronic information systems and the facility or facilities in which they are housed, while ensuring that properly authorized access is allowed; implement policies and procedures that specify the proper functions to be performed, and the physical attributes of the surroundings of a specific workstation or class of workstations that can access Electronic PHI; implement physical safeguards for all workstations that access Electronic PHI; restrict access to authorized users; implement policies and procedures that govern the receipt and removal of hardware and electronic media that contain Electronic PHI into and out of a facility and the movement of these items within the facility.
3. Implement technical policies and procedures for electronic information systems that maintain Electronic PHI to allow access only to those persons or software programs that have been granted access rights as specified in 45 C.F.R., Section 164.308 implement hardware, software and/or procedural mechanisms that record and examine activity in information systems that contain or use Electronic PHI; implement policies and procedures to protect Electronic PHI from improper alteration, destruction, unauthorized access or loss of integrity or availability; including but not limited to, encryption of all workstations, laptops and flash drives that store PHI.
4. Enter into written agreements with agents and subcontractors to whom Business Associate provides Covered Entity's PHI that imposes the same restrictions

and conditions on such agents and subcontractors that apply to Business Associate with respect to such PHI, and that require compliance with all appropriate safeguards as found in this Agreement.

D. Mitigation

Business Associate shall have procedures in place to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use, access or disclosure of PHI by Business Associate, its agents or subcontractors in violation of the requirements of this Agreement.

E. Reporting of Improper Access, Use or Disclosure or Breach

Business Associate shall report to Covered Entity's Office of Compliance any unauthorized use, access or disclosure of Unsecured PHI or any other security incident with respect to PHI no later than one (1) business day upon the discovery of a Breach or suspected Breach consistent with the regulations promulgated under HITECH by the United States Department of Health and Human Services, 45 CFR Part 164, Subpart D, as well as 42 CFR Part 2. Upon discovery of a Breach or suspected Breach, the Business Associate shall complete the following actions:

1. Provide Covered Entity's Office of Compliance with the following information to include but not limited to:
  - (a) Date the Breach or suspected Breach occurred;
  - (b) Date the Breach or suspected Breach was discovered;
  - (c) Number of staff, employees, subcontractors, agents or other third parties and the titles of each person allegedly involved;
  - (d) Number of potentially affected Patients/Clients; and
  - (e) Description of how the Breach or suspected Breach allegedly occurred.
2. Conduct and document a risk assessment by investigating without reasonable delay and in no case later than five (5) calendar days of discovery of the Breach or suspected Breach to determine the following:
  - (a) The nature and extent of the PHI involved, including the types of identifiers and likelihood of re-identification;
  - (b) The unauthorized person who used PHI or to whom it was made.
  - (c) Whether the PHI was actually acquired or viewed; and
  - (d) The extent to which the risk to PHI has been mitigated.
3. Provide a completed risk assessment and investigation documentation to Covered Entity's Office of Compliance within ten (10) calendar days of discovery of the Breach or suspected Breach with a decision whether a Breach has occurred.
  - (a) If a Breach has not occurred, notification to individual(s) is not required.
  - (b) If a Breach has occurred, notification to the individual(s) is required and Business Associate must provide Covered Entity with affected individual(s) name and contact information so that Covered Entity can provide notification.
4. Make available to Covered Entity and governing State and Federal agencies in a time and manner designated by Covered Entity or governing State and Federal agencies, any policies, procedures, internal practices and records relating to a Breach or suspected Breach for the purposes of audit or should the Covered Entity reserve the right to conduct its own investigation and analysis.

F. Access to Protected Health Information

Business Associate shall provide access to PHI in a Designated Record Set to Covered Entity or to an Individual, at the request or direction of Covered Entity and in

the time and manner designated by the Covered Entity. If Business Associate maintains PHI in an electronic format, and an individual requests a copy of such information in electronic form, Business Associate shall provide such information in electronic form as required by 45 CFR Section 164.524 and 42 CFR Part 2.53, as applicable.

To the extent Business Associate maintains a Designated Record Set on behalf of Covered Entity, Business Associate shall make PHI maintained by Business Associate or its agents or subcontractors in Designated Record Sets available to Covered Entity for inspection and copying within ten (10) days of a request by Covered Entity to enable Covered Entity to fulfill its obligations under the Privacy Rule and 42 CFR Part 2.53. If Business Associate maintains ePHI, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act. If Business Associate receives a request from an Individual or Entity (e.g., Public Records Act request, litigation-related requests, etc.) for access to PHI, Business Associate shall immediately forward such request to Covered Entity.

G. Amendment of Protected Health Information

If Business Associate maintains a Designated Record Set on behalf of the Covered Entity, Business Associate shall make any amendment(s) to PHI in a Designated Record Set that the Covered Entity directs or agrees to, pursuant to 45 CFR Section 164.526, in the time and manner designated by the Covered Entity.

H. Access to Records

Business Associate shall make internal practices, books, and records, including policies and procedures and PHI, relating to the use, access and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to the Secretary of the U.S. Department of Health and Human Services, in a time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy and Security Rules and patient confidentiality regulations. Anything provided to the Secretary shall also be provided to the Covered Entity upon Covered Entity's request.

I. Destruction of Protected Health Information

Upon termination of this Agreement, Business Associate shall return all PHI required to be retained by the Business Associate or its subcontractors, employees or agents on behalf of the Covered Entity. In the event the Business Associate determines that returning the PHI is not feasible, the Business Associate shall provide the Covered Entity with written notification of the conditions that make return not feasible. Additionally, the Business Associate must follow established policies and procedures to ensure PHI is safeguarded and disposed of adequately in accordance with 45 C.F.R. section 164.310, and must submit to the Covered Entity a certification of destruction of PHI. For destruction of ePHI, the National Institute of Standards and Technology (NIST) guidelines must be followed, as well as 42 CFR Part 2.16 (a)(2)(ii) if applicable. Business Associate further agrees to extend any and all protections, limitations, and restrictions contained in this Agreement, to any PHI retained by Business Associate or its subcontractors, employees or agents after the termination of this Agreement, and to limit any further use, access or disclosures.

J. Breach Pattern or Practice by Covered Entity

Pursuant to 42 U.S.C. Section 17934(b), if the Business Associate knows of a pattern of activity or practice of the Covered Entity that constitutes a material Breach or violation of the Covered Entity's obligations under this Agreement, the Business Associate must take reasonable steps to cure the Breach or end the violation. If the steps are unsuccessful, the Business Associate must terminate the Agreement if feasible, or if termination is not feasible, report the problem to the Secretary of DHHS.

K. Costs Associated with Breach

Business Associate shall be responsible for reasonable costs associated with a Breach. Costs shall be based upon the required notification type as deemed appropriate and necessary by the Covered Entity and shall not be reimbursable under the Agreement at any time. Covered Entity shall determine the method to invoice the Business Associate for said costs. Costs shall incur at the current rates and may include, but are not limited to the following:

1. Postage.
2. Alternative means of notice.
3. Media notification; and
4. Credit monitoring services.

L. Direct Liability

Business Associate may be held directly liable under HIPAA for impermissible uses and disclosures of PHI; failure to provide breach notification to Covered Entity; failure to provide access to a copy of Electronic PHI to covered entity or individual; failure to disclose PHI to the Secretary of the U.S. Department of Health and Human Services when investigating Business Associate's compliance with HIPAA; failure to provide an accounting of disclosures and failure to enter into a business associate agreement with subcontractors.

M. Termination for Cause

Covered Entity may, upon written notice to Business Associate, immediately terminate this agreement, and any related agreements, if Covered Entity determines that Business Associate has breached a material term of this agreement. Covered Entity may, upon written notice to Business Associate, allow Business Associate five (5) business days to cure such breach.

N. Judicial or Administrative Proceedings

Covered Entity may terminate the MOU, effective immediately, if (i) Business Associate is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the Privacy Rule, Security Rule or other security or privacy laws or (ii) a finding or stipulation is made in any administrative or civil proceeding in which the Business Associate has been joined that the Business Associate has violated any standard or requirement of HIPAA, the HITECH Act, the Privacy Rule, Security Rule or other security or privacy laws.

O. Insurance

In addition to any general and/or professional liability insurance coverage required of Business Associate under the MOU for services, Business Associate shall provide appropriate liability insurance coverage during the term of this Agreement to cover any and all claims, causes of action, and demands whatsoever made for loss, damage, or injury to any person arising from the breach of the security, privacy, or confidentiality obligations of Business Associate, its agents or employees, under this Agreement and under HIPAA 45 C.F.R. Parts 160 and 164, Subparts A and E.

P. Assistance in Litigation or Administrative Proceedings

Business Associate shall make itself, and any subcontractors, employees, or agents assisting Business Associate in the performance of its obligations under the Agreement, available to Covered Entity, at no cost to Covered Entity, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against Covered Entity, its directors, officers, or employees based upon a claimed violation of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule, or other laws relating to security and privacy, except where Business Associate or its subcontractor, employee or agent is a named adverse party

III. Obligations of Covered Entity

- A. Covered Entity shall notify Business Associate of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 CFR Section 164.520, to the extent that such limitation may affect Business Associate's use, access or disclosure of PHI.
- B. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an individual to use, access or disclose PHI, to the extent that such changes may affect Business Associate's use, access, maintenance or disclosure of PHI.
- C. Covered Entity shall notify Business Associate of any restriction to the use, access or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR Section 164.522, to the extent that such restriction may affect Business Associate's use, access, maintenance or disclosure of PHI.

#### IV. General Provisions

- A. Remedies

Business Associate agrees that Covered Entity shall be entitled to seek immediate injunctive relief as well as to exercise all other rights and remedies which Covered Entity may have at law or in equity in the event of an unauthorized use, access or disclosure of PHI by Business Associate or any agent or subcontractor of Business Associate that received PHI from Business Associate.
- B. Ownership

The PHI shall be and remain the property of the Covered Entity. Business Associate agrees that it acquires no title or rights to the PHI.
- C. Regulatory References

A reference in this Agreement to a section in the Privacy and Security Rules and patient confidentiality regulations means the section as in effect or as amended.
- D. No Third-Party Beneficiaries

Nothing express or implied in the MOU or this Agreement is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.
- E. Amendment

The parties acknowledge that state and federal laws related to privacy and security of PHI are rapidly evolving and that amendment of the MOU or this Agreement may be required to ensure compliance with such developments. The parties shall negotiate in good faith to amend this Agreement when and as necessary to comply with applicable laws. If either party does not agree to so amend this Agreement within thirty (30) days after receiving a request for amendment from the other, either party may terminate the Agreement upon written notice. To the extent an amendment to this Agreement is required by law and this Agreement has not been so amended to comply with the applicable law in a timely manner, the amendment required by law shall be deemed to be incorporated into this Agreement automatically and without further action required by either of the parties. Subject to the foregoing, this Agreement may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed and agreed to by Business Associate and Covered Entity.
- F. Interpretation

Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with pertinent Privacy and Security Rules and patient confidentiality regulations.
- G. Indemnification

Business Associate agrees to indemnify, defend and hold harmless Covered Entity and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, penalties, injuries, costs and expenses (including costs for reasonable attorney fees) that are caused by or result from the acts or omissions of Business Associate, its officers, employees, agents and subcontractors, with respect to the use, access, maintenance or disclosure of Covered Entity's PHI, including without limitation, any Breach of PHI or any expenses incurred by Covered Entity in providing required Breach notifications.

H. Compliance with State Law

In addition to HIPAA and all applicable HIPAA Regulations, Business Associate acknowledges that Business Associate and Covered Entity may have confidentiality and privacy obligations under State law, including, but not limited to, the California Confidentiality of Medical Information Act [Cal. Civil Code §56, et seq. ("CMIA")] and WIG 5328. If any provisions of this Agreement or HIPAA Regulations or the HITECH Act conflict with CMIA or WIG section 5328 or any other California State law regarding the degree of protection provided for PHI and patient medical records, then Business Associate shall comply with the more restrictive requirements.

I. Survival

The respective rights and obligations and rights of Covered Entity and Business Associate relating to protecting the confidentiality or a patient's PHI shall survive the termination of the MOU or this Agreement.

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

July 08, 2025

**FROM**

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

**SUBJECT**

Meeting Minutes for the Meeting Held on June 10, 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 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**

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 June 10, 2025, and attached are the meeting minutes for review and recommended approval by the Board.

**ITEM ATTACHMENTS**

- Attachment - Meeting Minutes for June 10, 2025

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 22, 2025.

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO  
June 10, 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 3:01 p.m. on June 10, 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 Thomas  
Commissioner Jain

Also in attendance were Maria Razo, Executive Director; Rishad Mitha, Deputy Executive Director; 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; John Moore, Director of Development; Shamira Shirley, Management Analyst; Renee Kangas, Sr. Management Analyst; Armando Salazar, Management Analyst; Edgar Sedano, Real Estate Services Specialist; and Jennifer Dawson, Director of Administrative Services

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 June 10, 2025, agenda. Executive Director, Maria Razo requested to have item number 17 moved to the July 2025 Board of Commissioners meeting and to have item number 12 separated from the consent calendar so that the item could be voted on separately.

**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 provided the Executive Director's Report.

Discussion amongst the Board of Commissioners took place regarding the Executive Director's Report for June 10, 2025.

**5) Board Building Presentation for June 10, 2025**

Discussion calendar item number 5, to 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, was requested.

Executive Director, Maria Razo, Deputy Executive Director, Rishad Mitha, and Sr. Management Analyst, Renee Kangas, provided the presentation to the board.

Discussion amongst the Board of Commissioners took place regarding the discussion calendar item number 5.

**6) Adoption of Resolution No. 210 approving revisions to the Administrative Plan governing the Housing Authority of the County of San Bernardino's rental assistance programs.**

Discussion calendar item number 6, to adopt Resolution No. 210 approving revisions to the Administrative Plan governing the Housing Authority of the County of San Bernardino's rental assistance programs, was requested.

Commissioner Miller moved to approve discussion calendar item number 6, 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 Thomas  
Commissioner Jain

Nays

**7) Approval of 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.**

Discussion calendar item number 7, to 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, was requested.

Commissioner Miller moved to approve discussion calendar item number 7, 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 Thomas  
Commissioner Jain

Nays

**8) Approval of revisions to the Violence Against Women Act Emergency Transfer Plan for the Housing Authority of the County of San Bernardino.**

Discussion calendar item number 8, to approve revisions to the Violence Against Women Act Emergency Transfer Plan for the Housing Authority of the County of San Bernardino, was requested.

Commissioner Miller moved to approve discussion calendar item number 8, as recommended by staff and Commissioner Jain seconded the motion. Upon the roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper  
Vice-Chair MacDuff  
Commissioner Miller  
Commissioner Thomas  
Commissioner Jain

Nays

**9) Retroactive approval of 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.**

Discussion calendar item number 9, to 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, was requested.

Commissioner Miller moved to approve discussion calendar item number 9, as recommended by staff and Commissioner Thomas seconded the motion. Upon the roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper  
Vice-Chair MacDuff  
Commissioner Miller  
Commissioner Thomas  
Commissioner Jain

Nays

**10) Retroactive approval of 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.**

Discussion of calendar item number 10, to 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, was requested.

Commissioner Miller moved to approve discussion calendar item number 10, as recommended by staff and Commissioner Jain seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper  
Vice-Chair MacDuff  
Commissioner Miller  
Commissioner Thomas  
Commissioner Jain

Nays

**11) Authorization of 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.**

Discussion calendar item number 11, to 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, was requested.

Commissioner MacDuff suggested an amendment to the recommended action to authorize the issuance of tax-exempt multifamily bonds and contract with bond counsel Kutak Rock, LLP and Orrick, Herrington & Sutcliffe, LLP and contract with KeyBanc Capital Markets, Inc. for banker services.

Legal Counsel specified that this amendment included the Executive Director's authorization to execute these items in the form approved by Legal Counsel.

Commissioner MacDuff moved to approve the amended discussion calendar item number 11 and Commissioner Thomas seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper  
Vice-Chair MacDuff  
Commissioner Miller  
Commissioner Thomas  
Commissioner Jain

Nays

**12 Approval of 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.**

Commissioner MacDuff offered to make a revision to the May 13, 2025 meeting minutes to include that Executive Director, Maria Razo, also led in the presentation of the May 13 Board Building session.

Commissioner MacDuff moved to approve the amended item number 12 and Commissioner Miller seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Ayes

Chair Cooper  
Vice-Chair MacDuff  
Commissioner Miller  
Commissioner Thomas  
Commissioner Jain (registered abstention)

Nays

**13, 14, 15, and 16) Consent Calendar**

Approval of the consent calendar including agenda item numbers 13-16 was requested.

Commissioner Miller moved to approve consent calendar agenda item numbers 13-16,

13) Approve and file agency-wide financial statements through February 2025.

14) Approve vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of March 2025.

15) Approve the write-off of delinquent accounts for the Housing Services Programs as collection losses for the month of April 2025.

16) Adopt Resolution No. 211 amending FY 2024-2025 Utility Allowance Schedules for the Housing Choice Voucher program, effective June 11, 2025.

The motion was duly seconded by Commissioner MacDuff.

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

<u>Ayes</u>	<u>Nays</u>	<u>Abstain</u>
Chair Cooper		
Vice-Chair MacDuff		
Commissioner Miller		
Commissioner Thomas		
Commissioner Jain		

There being no other business, Commissioner Miller moved for the regular meeting of Tuesday, June 10, 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 5:10 p.m.

\_\_\_\_\_  
Beau Cooper, Chair

\_\_\_\_\_  
Cassie MacDuff, Vice Chair

\_\_\_\_\_  
Sid Jain

\_\_\_\_\_  
Sylvia Miller

\_\_\_\_\_  
Michael Thomas

\_\_\_\_\_  
Tim Johnson (absent)

Attest:

\_\_\_\_\_  
Secretary

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

**July 8, 2025**

## **FROM**

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

## **SUBJECT**

**Agency-Wide Financial Statements Through March 2025**

## **RECOMMENDATION(S)**

Approve and file agency-wide financial statements through 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 Housing Authority of the County of San Bernardino's (HACSB) fiscal year-to-date agency-wide net loss through March 2025 for Federal Fiscal Year (FFY) 2024-25 is (\$577,076). This net loss is currently lower than the budgeted net loss of (\$2,829,320) with a variance of \$2,252,245. It is important to note the net loss is due to Housing Assistance Payments to landlords outpacing the funding received from HUD. A draw from HACSB HUD Held Reserves (HHR) will be used to cover the budgeted loss of \$2.8 million. Further explanation on HHR is listed in the section below.

The net loss is \$2,252,245 less than anticipated for the following reasons:

The HCV program received \$6.3 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 \$3.8 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 \$2.1 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 \$1.7 lower than the budgeted \$5.2 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 \$2.4 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.

<b>Financial Summary</b>	<b>FY 2025 YTD</b>
Revenues	\$128,717,454
Expenses	\$(126,906,049)
Operating Net Income/(Loss)	\$1,811,405
Operating Transfers/Non-Operating Items	\$(2,388,481)
<b>Net Income/(Loss)</b>	<b>\$(577,076)</b>

### **BACKGROUND INFORMATION**

HACSB administers multiple housing programs operates various multi-family property portfolios and as such 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.

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 the best practice to apprise HACSB's Board of Commissioners on the agency's financial position, HACSB is presenting the financial statements monthly.

### **PROCUREMENT**

Not applicable.

### **ITEM ATTACHMENTS**

- Attachment – Consolidated Budget to Actuals 3.2025

**REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 22, 2025.

## HACSB Budget Comparison

Period = Oct 2024-Mar 2025

	YTD Actual	YTD Budget	Variance	% Var	Annual
INCOME					
TENANT INCOME					
Total Rental Income	18,276,016	16,873,617	1,402,399	8.31	33,745,895
Total Other Tenant Income	438,923	297,712	141,211	47.43	595,147
NET TENANT INCOME	18,714,938	17,171,328	1,543,610	8.99	34,341,043
GRANT INCOME					
TOTAL GRANT INCOME	106,557,091	98,455,590	8,101,501	8.23	196,976,041
OTHER INCOME					
TOTAL OTHER INCOME	3,445,425	5,178,070	-1,732,645	-33.46	9,007,913
TOTAL INCOME	128,717,454	120,804,988	7,912,465	6.55	240,324,996
EXPENSES					
GRANT EXPENSES					
TOTAL GRANT EXPENSES	6,809,449	4,989,990	-1,819,459	-36.46	10,044,842
ADMINISTRATIVE					
Total Administrative Salaries	8,442,808	8,937,172	494,363	5.53	18,659,130
Total Legal Expense	323,104	324,347	1,244	0.38	648,657
Total Other Admin Expenses	3,623,425	4,220,739	597,314	14.15	8,444,201
Total Miscellaneous Admin Expenses	1,759,376	1,750,747	-8,629	-0.49	3,097,127
TOTAL ADMINISTRATIVE EXPENSES	14,148,713	15,233,005	1,084,292	7.12	30,849,115
TENANT SERVICES					
TOTAL TENANT SERVICES EXPENSES	28,932	90,516	61,584	68.04	179,867
UTILITIES					
TOTAL UTILITY EXPENSES	2,278,171	2,411,882	133,711	5.54	4,839,943
MAINTENANCE AND OPERATIONS					
Total General Maint Expense	2,062,905	1,935,308	-127,598	-6.59	3,982,483
Total Materials	683,861	577,075	-106,787	-18.50	1,152,934
Total Contract Costs	2,714,438	2,280,128	-434,310	-19.05	4,558,556
TOTAL MAINTENANCE EXPENSES	5,461,204	4,792,510	-668,695	-13.95	9,693,972
GENERAL EXPENSES					
TOTAL GENERAL EXPENSES	1,589,267	1,257,688	-331,580	-26.36	2,394,281
EXTRAORDINARY MAINTENANCE EXPENSES					
TOTAL EXTRAORDINARY MAINTENANCE EXPENSES	1,710,665	3,744,074	2,033,409	54.31	6,583,396
HOUSING ASSISTANCE PAYMENTS					
TOTAL HOUSING ASSISTANCE PAYMENTS	93,845,377	90,078,003	-3,767,374	-4.18	180,156,007
FINANCING EXPENSE					
TOTAL FINANCING EXPENSES	1,034,271	1,036,641	2,370	0.23	2,087,990
TOTAL OPERATING EXPENSES	126,906,049	123,634,309	-3,271,740	-2.65	246,829,414
<b>OPERATING NET INCOME</b>	<b>1,811,405</b>	<b>-2,829,320</b>	<b>4,640,725</b>	<b>164.02</b>	<b>-6,504,418</b>
NET OPERATING TRANSFER IN/OUT	0	0	0	N/A	0
NON-OPERATING ITEMS					
TOTAL NON-OPERATING ITEMS	2,388,480	0	-2,388,480	N/A	0
NET INCOME	-577,076	-2,829,320	2,252,245	79.60	-6,504,418

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

**July 8, 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 April 2025

**RECOMMENDATION(S)**

Approve the expensing of vacated tenant accounts for the Authority Owned Portfolio to be written off 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 accounts receivable loss for the month ending April 30, 2025, is \$39,234.98. The Housing Authority of the County of San Bernardino (HACSB) projects and anticipates collection losses in its annual budget. The true expense is reported after board approval.

<b>SUMMARY FOR HACSB - Authority Owned Properties</b>		
<b>PROPERTY</b>	<b>NO. VACATED</b>	<b>TOTAL</b>
402 - Summit Place	1	1,569.00
403 - Summit Walk	1	1,071.00
407 - Sunset Pointe	2	2,696.00
408 - Sunrise Vista	3	2,930.50
409 - Andalusia	1	8,706.00
414 - Redwood	1	184.00
418 - Grandview	1	129.00
431 - Stone Creek	1	2,272.00
433b - Lombard	0	-
437 - Sunset Gardens	0	-
467 - Hillcrest	0	-
481172-Big Horn	2	9,331.00
490107- HACSB Mentone LLC	1	3,434.00
Concessions Write Off	0	-
<b>TOTAL RENT WRITE OFF</b>	<b>14</b>	<b>32,322.50</b>
Miscellaneous Charges		923.00
Maintenance Charges		11,081.76
Legal Charges		6,840.72
Security Deposits Applied		(11,933.00)
<b>NET TOTAL WRITE OFF</b>		<b>39,234.98</b>

Vacated Tenant Accounts for the Authority Owned Portfolio to be Written Off as Collection Loss  
for the Month of April 2025  
July 8, 2025

### **BACKGROUND INFORMATION**

On a monthly basis, HACSB records vacated tenant accounts for the Authority Owned Portfolio for the purpose of being written off to collection losses. Authority Owned Portfolio units are owned by HACSB and were either acquired or developed through a variety of partnerships with local governments and/or HACSB's non-profit affiliate Housing Partners I, Inc., and include public housing developments converted through the United States Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program.

Despite HACSB's efforts to collect the debts listed in the attached reports, it has been determined that such debts are uncollectible. As part of HACSB's standard property management business practices, 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 (April 1 – April 30, 2025) are primarily for voluntary move-outs and evictions.

### **PROCUREMENT**

Not applicable

### **ITEM ATTACHMENTS**

The attachments included for the April 2025 collection loss are:

- Attachment – ATT-BOC-070825 AOP Vacated Accounts

### **REVIEW BY OTHERS**

This item has been reviewed by General Legal Counsel, Fred Galante, on June 24, 2025.

# Housing Authority County of San Bernardino

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Month End: 04/30/25

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	H	L		E	1,991.00	1,569.00		200.00	1,023.00	1,952.50	4,744.50	600.00	4,144.50
							-				-		-
TOTALS:						1,569.00	-	200.00	1,023.00	1,952.50	4,744.50	600.00	4,144.50
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	11/06/24	Posted	12/09/24	12/10/24	N		N/A	03/13/25		03/13/25		
403 - Summit Walk													
2	G	R		S	1,785.00	1,071.00	-	50.00	2,618.00		3,739.00	1,135.00	2,604.00
							-				-		-
TOTALS:						1,071.00	-	50.00	2,618.00	-	3,739.00	1,135.00	2,604.00
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		Court Date	Lock Out Date		Vacate Date		
2	Notice to pay or quit	04/07/25	Posted	N/A	N/A	N/A		N/A	N/A		04/18/25		
407 - Sunset Pointe													
3	B	R		S	997.00	565.00		75.00	2,281.00		2,921.00	997.00	1,924.00
4	C	T		E	1,100.00	2,131.00		150.00	1,142.00	1,230.00	4,653.00	300.00	4,353.00
TOTALS:						2,696.00	-	225.00	3,423.00	1,230.00	7,574.00	1,297.00	6,277.00
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		
3	Notice to pay or quit	04/07/25	Posted	N/A					skipped to avoid eviction		04/19/25		
4	Notice to pay or quit	03/07/25	Posted	03/22/25	N/A				turned in keys to avoid eviction		04/15/25		
408 - Sunrise Vista													
5	A	C							(1,125.00)		(1,125.00)		(1,125.00)
6	J	J		V	997.00	1,388.00		75.00	1,268.67		2,731.67	600.00	2,131.67
7	H	K		E	1,400.00	1,545.00			1,281.00	1,500.00	4,326.00	600.00	3,726.00
8	B	J		V	1,100.00	(2.50)			620.68		618.18	600.00	18.18
							-			-	-		-
TOTALS:						2,930.50	-	75.00	2,045.35	1,500.00	6,550.85	1,800.00	4,750.85
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		
5 Payment on bad debt													
6	Notice to pay or quit	04/07/25	Posted	N/A	N/A	N/A	N/A	N/A	N/A		04/17/25		
7	Notice to pay or quit	10/06/24	Posted	10/11/25	12/11/25	Y		01/16/25	04/22/25		04/22/25		
8	Notice to pay or quit	04/07/25	Posted	N/A	N/A	N/A	N/A	N/A	N/A		04/11/25		

\*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: 04/30/25

409 - Andalusia													
9	R	C		E	2,338.00	8,706.00		75.00	495.00	750.00	10,026.00	2,338.00	7,688.00
											-		-
TOTALS:					8,706.00	-	75.00	495.00	750.00	10,026.00	2,338.00	7,688.00	
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date			Vacate Date	
9	Notice to pay or quit	01/07/25	Posted	01/16/25	01/21/25	02/10/25		03/13/25	04/24/25			04/24/25	
414 - Redwood													
10	H	T					-		(239.00)		(239.00)		(239.00)
11	S	F		D	1,650.00	184.00	-	25.00	215.00		424.00	400.00	24.00
TOTALS:					184.00	-	25.00	(24.00)	-	185.00	400.00	(215.00)	
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date			Vacate Date	
10	Adjustment to previous month writeoff												
11	Notice to pay or quit	04/07/25	Posted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	04/15/25	
418 - Grandview													
12	P	V		V	700.00	129.00	-	123.00	1,345.00		1,597.00	300.00	1,297.00
							-				-		-
TOTALS:					129.00	-	123.00	1,345.00	-	1,597.00	300.00	1,297.00	
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date			Vacate Date	
12	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	04/01/25	
431 - Stone Creek													
13	G	L		D	1,550.00	2,272.00		100.00	675.00		3,047.00	400.00	2,647.00
											-		-
TOTALS:					2,272.00	-	100.00	675.00	-	3,047.00	400.00	2,647.00	
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date			Vacate Date	
13	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	04/14/25	
433b - Lombard													
14	H	A							(5,601.00)		(5,601.00)		(5,601.00)
TOTALS:					-	-	-	(5,601.00)		(5,601.00)	-	(5,601.00)	
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date			Vacate Date	
14	Payment on bad debt												

\*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: 04/30/25

437 - Sunset Gardens														
15	M	J					-		(400.00)		(400.00)		(400.00)	
16	S	D					-		(500.00)		(500.00)		(500.00)	
TOTALS:							-	-	(900.00)	-	(900.00)	-	(900.00)	
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date			
15	Payment on bad debt													
16	Payment on bad debt													
467 - Hillcrest														
17	E	C					-		(331.92)		(331.92)		(331.92)	
TOTALS:							-	-	(331.92)	-	(331.92)	-	(331.92)	
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			
17	Payment on bad debt													
481172-Big Horn														
19	R	Y		V	1,115.00	3,021.00		50.00	713.00		3,784.00	800.00	2,984.00	
20	A	J		E	868.00	6,310.00			2,793.00	1,408.22	10,511.22	1,110.00	9,401.22	
TOTALS:							9,331.00	-	50.00	3,506.00	1,408.22	14,295.22	1,910.00	12,385.22
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	Notice to Pay or Quit	03/06/25	Posted and hand delivered	N/A	N/A	N		N/A	N/A		04/30/25			
20	Notice to Pay or Quit	12/13/24	Posted	01/13/25	02/03/25	N		N/A	04/29/25		04/29/25			
490107- HACSB Mentone LLC														
21	H	F		V	\$ 585.00	\$3,434.00			\$2,808.33		\$6,242.33	\$1,753.00	\$4,489.33	
TOTALS:							\$ 3,434.00	\$ -	\$ -	\$ 2,808.33	\$ -	\$ 6,242.33	\$ 1,753.00	\$ 4,489.33
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			
21	N/A	N/A	N/A	N/A	N/A	N/A		N/A	N/A		03/31/25			
ALL PROPERTY TOTALS:							32,322.50	-	923.00	11,081.76	6,840.72	51,167.98	11,933.00	39,234.98

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.