

AN ANNUAL 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
January 13, 2026, AT 3:00 P.M.

AGENDA

PUBLIC SESSION

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

DISCUSSION CALENDAR

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

- 4) Select a Chair and Vice-Chair from among the Board of Commissioners of the Housing Authority of the County of San Bernardino to serve until January 12, 2027.
(Pages 1-2)
- 5) Receive the Executive Director's Report for January 13, 2026.
(Page 3)
- 6) Receive the board building presentation for January 13, 2026, an overview of the Housing Authority of the County of San Bernardino's various waitlists.
(Page 4)
- 7) Discuss the February Retreat of the Board of Commissioners of the Housing Authority of the County of San Bernardino.
- 8) Discuss the date of the March Special Meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino.
- 9) Approve a contract extension of the Project-Based Voucher Program Housing Assistance Payments Contract with Reliant Asset Management Solutions for 50 units at the Arrowhead Woods property for a 15-year period from April 1, 2027, through March 31, 2042.
(Pages 5-39)

- 10) Approve a contract extension of the Project-Based Voucher Program Housing Assistance Payments Contract with Reliant Asset Management Solutions for 70 units at the Sunset Pointe property for a 15-year period from March 15, 2027, through March 14, 2042.
(Pages 40-74)
- 11) Approve an increase in appropriations for purchase orders with Home Depot U.S.A. Inc., and HD Supply Facilities Maintenance Ltd. for supplies through a cooperative agreement with U.S. Communities Government Purchasing Alliance in the amount of \$703,856.26 for an overall amount not to exceed \$3,193,690.26 through July 31, 2026.
(Pages 75-76)
- 12) Approve an increase in appropriations, effective January 14, 2026, for on-call plumbing services in the amount of \$350,977.00 split between three vendors not to exceed \$1,557,246.00; and Approve Amendment No. 2 to Contract PC1261, effective January 14, 2026, for on-call plumbing services with Montgomery Plumbing, A-Advantage Plumbing, and Pro-Craft Construction to exercise the second option year through March 7, 2027.
(Pages 77-87)
- 13) Approve an increase in appropriations to Contract No. PC1277, effective January 14, 2026, for on-call architect services with Albert Group Architects, Architerra Design Group, Onyx Architects, Inc., RRM Design Group, and Sillman Wright Architects in the amount of \$500,000 for an overall amount not to exceed \$1,000,000 through July 31, 2027.
(Pages 88-89)
- 14) Approve Amendment No. 2 to Contract No. PC1345, effective January 14, 2026, for Legal Services - Development with Hawkins Delafield & Wood, LLP, increasing the compensation by \$75,000 for a total amount not-to-exceed \$150,000 through March 31, 2026.
(Pages 90-95)

CONSENT CALENDAR

APPROVAL OF CONSENT ITEMS: 15-17

- 15) Approve the meeting minutes for the regular meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on December 9, 2025.
(Pages 96-100)
- 16) Approve and file agency-wide financial statements through September 2025.
(Pages 101-103)
- 17) Approve the expense of vacated tenant accounts that have been determined to be uncollectable for the Authority Owned Portfolio to be written off as collection losses for the month of October 2025.
(Pages 104-109)
- 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

January 13, 2026

FROM

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

SUBJECT

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

RECOMMENDATION(S)

Select a Chair and Vice-Chair from among the Board of Commissioners of the Housing Authority of the County of San Bernardino to serve until January 12, 2027.

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

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

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

BACKGROUND INFORMATION

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

Procedure:

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

Selection of Chair and Vice-Chair of the Board of Commissioners for the Housing Authority of the
County of San Bernardino
January 13, 2026

ITEM ATTACHMENTS

Not applicable

REVIEW BY OTHERS

This item has been prepared by General Legal Counsel, Fred Galante on December 26, 2025.

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

January 13, 2026

FROM

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

SUBJECT

Executive Director's Report for January 13, 2026

RECOMMENDATION(S)

Receive the Executive Director's Report for January 13, 2026.
(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 December 26, 2025.

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

January 13, 2026

FROM

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

SUBJECT

Board Building Presentation for January 13, 2026

RECOMMENDATION(S)

Receive the board building presentation for January 13, 2026, an overview of the Housing Authority of the County of San Bernardino's various waitlists.
(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 overview of HACSB's various waitlists.

PROCUREMENT

Not applicable

ITEM ATTACHMENTS

Not applicable

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on December 26, 2025.

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

January 13, 2026

FROM

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

SUBJECT

Extension of Project-Based Voucher Program Housing Assistance Payments Contract with Reliant Asset Management Solutions for the Arrowhead Woods Property

RECOMMENDATION(S)

1. Approve a contract extension of the Project-Based Voucher Program Housing Assistance Payments Contract with Reliant Asset Management Solutions for 50 units at the Arrowhead Woods property for a 15-year period from April 1, 2027, through March 31, 2042.
 2. Authorize and direct the Executive Director to execute and deliver the contract extension to Reliant Asset Management, and upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.
- (Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

Approval of the proposed extension to the Project-Based Voucher (PBV) Program Housing Assistance Payments (HAP) Contract will have no direct financial impact to the Housing Authority of the County of San Bernardino's (HACSB) annual budget as the payments coinciding with this contract are included in the annual HAP budget.

BACKGROUND INFORMATION

On April 1, 2002, HACSB entered into a 10-year PBV Program HAP Contract for Arrowhead Woods, a 51-unit senior development, owned by HACSB. Fifty units receive PBV assistance, and one unit is for the property manager. The contract was extended for a 15-year term through March 31, 2027.

The State of California requires that a property owner notify residents 12 months prior to the expiration of a HAP Contract if the contract will not be renewed. Therefore, this item is brought to the Board for consideration at least twelve months prior to the end of the Contract term. The PBV program ensures stable, affordable housing for low-income seniors in the City of San Bernardino. Therefore, the extension of the contract is appropriate to continue providing affordable housing for low-income seniors, and HACSB staff recommends the Board of Commissioners approve the extension of the HAP contract. Current HUD regulations prohibit the housing authority from serving as both the contract administrator and the contract owner on a HAP contract. However, the housing authority may designate an affiliate to serve as the owner for the purposes of the HAP contract, while the housing authority retains full ownership of the property. Reliant Asset Management Solutions, an HACSB affiliate, currently serves as the HAP contract owner for

Extension of Project-Based Voucher Program Housing Assistance Payments Contract with
Reliant Asset Management Solutions for the Arrowhead Woods Property
January 13, 2026

several HACSB owned PBV developments. Therefore, the recommended HAP contract extension names Reliant Asset Management Solutions as the HAP contract owner.

PROCUREMENT

Not applicable

ITEM ATTACHMENTS

- Contract – PBV HAP Contract with Reliant Asset Management Solutions for Arrowhead Woods

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on December 26, 2025.

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

**SECTION 8 PROJECT-BASED VOUCHER PROGRAM
HOUSING ASSISTANCE PAYMENTS CONTRACT**

EXISTING HOUSING

PART 1 OF HAP CONTRACT

OMB Burden Statement. The public reporting burden for this collection of information is estimated to average 1 hour. This form is required to establish terms between a PHA and owner to provide housing assistance. This contract allows a PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. Assurances of confidentiality are not provided under this collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Office of Public and Indian Housing, US. Department of Housing and Urban Development, Washington, DC 20410. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

Privacy Notice. The Department of Housing and Urban Development (HUD) is authorized to collect the information on this form by 24 CFR § 983.202. This contract allows a PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. Assurances of confidentiality are not provided under this collection. The Personally Identifiable Information (PII) data collected on this form are not stored or retrieved within a system of record.

1. CONTRACT INFORMATION

a. Parties

This housing assistance payments (HAP) contract is entered into between:

_____ (PHA) and

_____ (owner).

b. Contents of contract

The HAP contract consists of Part 1, Part 2, and the contract exhibits listed in paragraph c.

c. Contract exhibits

The HAP contract includes the following exhibits:

Previous editions are obsolete

**Project-Based Voucher Program
HAP Contract for Existing Housing**

**HUD 52530B Page - 1 of Part 1
(04/2023)**

- EXHIBIT A: TOTAL NUMBER OF UNITS IN PROJECT COVERED BY THIS HAP CONTRACT; INITIAL RENT TO OWNER; AND DESCRIPTION OF THE CONTRACT UNITS. (See 24 CFR 983.203 for required items.)
- EXHIBIT B: SERVICES, MAINTENANCE AND EQUIPMENT TO BE PROVIDED BY THE OWNER WITHOUT CHARGES IN ADDITION TO RENT TO OWNER
- EXHIBIT C: UTILITIES AVAILABLE IN THE CONTRACT UNITS, INCLUDING A LISTING OF UTILITY SERVICES TO BE PAID BY THE OWNER (WITHOUT CHARGES IN ADDITION TO RENT TO OWNER) AND UTILITIES TO BE PAID BY THE TENANTS
- EXHIBIT D: FEATURES PROVIDED TO COMPLY WITH PROGRAM ACCESSIBILITY FEATURES OF SECTION 504 OF THE REHABILITATION ACT OF 1973 AND IMPLEMENTING REGULATIONS AT 24 CFR PART 8

ADDITIONAL EXHIBITS

d. Effective date and term of the HAP contract

1. Effective date

- a. The PHA may not enter into a HAP contract for any contract unit until the PHA (or an independent entity, as applicable) has determined that the unit meets the PBV inspection requirements.
- b. For all contract units, the effective date of the HAP contract is:
_____.
- c. The term of the HAP contract begins on the effective date.

2. Length of initial term

- a. Subject to paragraph 2.b, the initial term of the HAP contract for all contract units is:
_____.
- b. The initial term of the HAP contract may not be less than one year,

nor more than twenty years.

3. Extension of term

The PHA and owner may agree to enter into an extension of the HAP contract at the time of initial HAP contract execution, or any time prior to expiration of the contract. Any extension, including the term of such extension, must be in accordance with HUD requirements. A PHA must determine that any extension is appropriate to achieve long-term affordability of the housing or expand housing opportunities.

4. Requirement for sufficient appropriated funding

- a. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or by the PHA in accordance with HUD requirements, of sufficient appropriated funding (budget authority), as provided in appropriations acts and in the PHA's annual contributions contract (ACC) with HUD, to make full payment of housing assistance payments due to the owner for any contract year in accordance with the HAP contract.
- b. The availability of sufficient funding must be determined by HUD or by the PHA in accordance with HUD requirements. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the PHA has the right to terminate the HAP contract by notice to the owner for all or any of the contract units. Such action by the PHA shall be implemented in accordance with HUD requirements.

e. Occupancy and payment

1. Payment for occupied unit

During the term of the HAP contract, the PHA shall make housing assistance payments to the owner for the months during which a contract unit is leased to and occupied by an eligible family. If an assisted family moves out of a contract unit, the owner may keep the housing assistance payment for the calendar month when the family moves out (“move-out month”). However, the owner may not keep the payment if the PHA determines that the vacancy is the owner’s fault.

2. Vacancy payment

THE PHA HAS DISCRETION WHETHER TO INCLUDE THE
VACANCY PAYMENT PROVISION (PARAGRAPH e.2), OR TO
STRIKE THIS PROVISION FROM THE HAP CONTRACT FORM.

- a. ~~If an assisted family moves out of a contract unit, the PHA may provide vacancy payments to the owner for a PHA-determined vacancy period extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month.~~
- b. ~~The vacancy payment to the owner for each month of the maximum two-month period will be determined by the PHA, and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit). Any vacancy payment may cover only the period the unit remains vacant.~~
- e. ~~The PHA may make vacancy payments to the owner only if:~~
 - 1. ~~The owner gives the PHA prompt, written notice certifying that the family has vacated the unit and the date when the family moved out (to the best of the owner's knowledge and belief);~~
 - 2. ~~The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;~~
 - 3. ~~The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and~~
 - 4. ~~The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.~~
- d. ~~The PHA must take every reasonable action to minimize the likelihood and length of vacancy.~~
- e. ~~The owner may refer families to the PHA for placement on the PBV waiting list.~~

- f. ~~The owner must submit a request for vacancy payments in the form and manner required by the PHA and must provide any information or substantiation required by the PHA to determine the amount of any vacancy payments.~~

3. PHA is not responsible for family damage or debt to owner

Except as provided in this paragraph e (Occupancy and Payment), the PHA will not make any other payment to the owner under the HAP contract. The PHA will not make any payment to the owner for any damages to the unit, or for any other amounts owed by a family under the family's lease.

f. Income-mixing requirement

1. Except as provided in paragraphs f.2 through f.5 below, the PHA will not make housing assistance payments under the HAP contract for more than the greater of 25 units or 25 percent of the total number of dwelling units (assisted or unassisted) in any project. The term "project" means a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land assisted under this HAP contract.
2. The limitation in paragraph f.1 does not apply to single-family buildings.
3. In referring eligible families to the owner for admission to the number of contract units in any project exceeding the 25 unit or 25 percent limitation under paragraph f.1, the PHA shall give preference to the applicable families as listed in f.8 below, for the number of contract units exclusively made available for occupancy by such families. The owner shall rent that number of contract units to such families referred by the PHA from the PHA waiting list.
4. Up to the greater of 25 units or 40 percent of units (instead of the greater of 25 units or 25 percent of units) in a project may be project-based if the project is located in a census tract with a poverty rate of 20 percent or less.
5. Units that were previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD do not count toward the income-mixing requirement if, in the five years prior to issuance of the Request for Proposal or notice of owner selection (for projects selected based on a prior competition or without competition), the unit received one of the forms of HUD assistance or was under a federal rent restriction as described in f.6 and f.7, below.

6. The following specifies the number of contract units (if any) that received one of the following forms of HUD assistance:

- ☐ Public Housing or Operating Funds;
- ☐ Project-Based Rental Assistance (including Mod Rehab and Mod Rehab Single-Room Occupancy);
- ☐ Housing for the Elderly (Section 202 or the Housing Act of 1959);
- ☐ Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez Affordable Housing Act);
- ☐ Rent Supplement Program;
- ☐ Rental Assistance Program;
- ☐ Flexible Subsidy Program.

Place a check mark in front of the form of assistance received by any of the contract units. The following total number of contract units received a form of HUD assistance listed above:

_____.

If all of the units in the project received such assistance, you may skip number g.8, below.

7. The following specifies the number of contract units (if any) that were under any of the following federal rent restrictions:

- ☐ Section 236;
- ☐ Section 221(d)(3) or (d)(4) BMIR (below-market interest rate);
- ☐ Housing for the Elderly (Section 202 or the Housing Act of 1959);
- ☐ Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez Affordable Housing Act);
- ☐ Flexible Subsidy Program.

Place a check mark in front of the type of federal rent restriction that applied to any of the contract units. The following total number of contract

units were subject to a federal rent restriction listed above:

_____.

If all of the units in the project were subject to a federal rent restriction, you may skip number g.8, below.

8. The following specifies the number of contract units (if any) exclusively made available to elderly families, families eligible for supportive services, or eligible youth receiving Family Unification Program or Foster Youth to Independence (FUP/FYI) assistance:
- a. Place a check mark here ____ if any contract units are exclusively made available for occupancy by elderly families; The following number of contract units shall be rented to elderly families:
- _____.
- b. Place a check mark here ____ if any contract units are exclusively made available for occupancy by families eligible for supportive services. The following number of contract units shall be rented to families eligible for supportive services:
- _____.
- c. Place a check mark here ____ if any contract units are exclusively made available for occupancy by eligible youth receiving FUP/FYI assistance. The following number of contract units shall be rented to eligible families receiving FUP/FYI assistance:
- _____.
9. The PHA and owner must comply with all HUD requirements regarding income mixing.

EXECUTION OF HAP CONTRACT FOR EXISTING HOUSING

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).

PUBLIC HOUSING AGENCY (PHA) Name of PHA (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date
OWNER Name of Owner (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date

Previous editions are obsolete

**Project-Based Voucher Program
HAP Contract for Existing Housing**

**HUD 52530B Page - 8 of Part 1
(04/2023)**

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

**HOUSING ASSISTANCE PAYMENTS CONTRACT
EXISTING HOUSING**

PART 2 OF HAP CONTRACT

OMB Burden Statement. The public reporting burden for this collection of information is estimated to average 1 hour. This form is required to establish terms between a PHA and owner to provide housing assistance. This contract allows a PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. Assurances of confidentiality are not provided under this collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Office of Public and Indian Housing, US. Department of Housing and Urban Development, Washington, DC 20410. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

2. DEFINITIONS

Contract units. The housing units covered by this HAP contract. The contract units are described in Exhibit A.

Controlling interest. In the context of PHA-owned units (see definition below), controlling interest means:

- (a) Holding more than 50 percent of the stock of any corporation; or
- (b) Having the power to appoint more than 50 percent of the members of the board of directors of a non-stock corporation (such as a non-profit corporation); or
- (c) Where more than 50 percent of the members of the board of directors of any corporation also serve as directors, officers, or employees of the PHA; or
- (d) Holding more than 50 percent of all managing member interests in an LLC; or
- (e) Holding more than 50 percent of all general partner interests in a partnership;
or
- (f) Having equivalent levels of control in other ownership structures.

Existing housing. Housing units that already exist on the proposal selection date

and that substantially comply with the housing quality standards on that date. The units must fully comply with the housing quality standards before execution of the HAP contract.

Family. The persons approved by the PHA to reside in a contract unit with assistance under the program.

HAP contract. This housing assistance payments contract between the PHA and the owner. The contract consists of Part 1, Part 2, and the contract exhibits (listed in section 1.c of the HAP contract).

Household. The family and any PHA-approved live-in aide.

Housing assistance payment. The monthly assistance payment by the PHA for a contract unit, which includes: (1) a payment to the owner for rent to the owner under the family's lease minus the tenant rent; and (2) an additional payment to or on behalf of the family if the utility allowance exceeds total tenant payment.

Housing quality standards (HQS). The HUD minimum quality standards for dwelling units occupied by families receiving project-based voucher program assistance.

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

HUD requirements. HUD requirements which apply to the project-based voucher program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

Owner. Any person or entity who has the legal right to lease or sublease a unit to a participant.

Premises. The building or complex in which a contract unit is located, including common areas or grounds.

Principal or interested party. This term includes a management agent and other persons or entities participating in project management, and the officers and principal members, shareholders, investors, and other parties having a substantial interest in the HAP contract, or in any proceeds or benefits arising from the HAP contract.

Program. The project-based voucher program (see authorization for project-based assistance at 42 U.S.C. 1437f(o)(13)).

PHA. Public Housing Agency. The agency that has entered into the HAP contract with the owner. The agency is a public housing agency as defined in the United

States Housing Act of 1937 (42 U.S.C. 1437a(b)(6)).

PHA-owned units. A unit is “owned by a PHA” if the unit is in a project that is:

- (a) Owned by the PHA (which includes a PHA having a “controlling interest” in the entity that owns the unit; see definition above);
- (b) Owned by an entity wholly controlled by the PHA; or
- (c) Owned by a limited liability company (LLC) or limited partnership in which the PHA (or an entity wholly controlled by the PHA) holds a controlling interest in the managing member or general partner.

Proposal selection date. The date the PHA gives written notice of proposal selection to the owner whose proposal is selected in accordance with the criteria established in the PHA’s administrative plan.

Rent to owner. The total monthly rent payable to the owner under the lease for a contract unit. Rent to owner includes payment for any housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

Tenant. The person or persons (other than a live-in aide) who executes the lease as a lessee of the dwelling unit.

Tenant rent. The portion of the rent to owner payable by the family, as determined by the PHA in accordance with HUD requirements. The PHA is not responsible for paying any part of the tenant rent.

3. **PURPOSE**

- a. This is a HAP contract between the PHA and the owner.
- b. The purpose of the HAP contract is to provide housing assistance payments for eligible families who lease contract units that comply with the HUD HQS from the owner.
- c. The PHA must make housing assistance payments to the owner in accordance with the HAP contract for contract units leased and occupied by eligible families during the HAP contract term. HUD provides funds to the PHA to make housing assistance payments to owners for eligible families.

4. RENT TO OWNER; HOUSING ASSISTANCE PAYMENTS

a. Amount of initial rent to owner

The initial rent to owner for each contract unit is stated in Exhibit A, which is attached to and made a part of the HAP contract. At the beginning of the HAP contract term, and until rent to owner is adjusted in accordance with section 5 of the HAP contract, the rent to owner for each bedroom size (number of bedrooms) shall be the initial rent to owner amount listed in Exhibit A.

Place a check mark here ____ if the PHA has elected not to reduce rents below the initial rent to owner.

b. HUD rent requirements

Notwithstanding any other provision of the HAP contract, the rent to owner may in no event exceed the amount authorized in accordance with HUD requirements. The PHA has the right to reduce the rent to owner, at any time, to correct any errors in establishing or adjusting the rent to owner in accordance with HUD requirements. The PHA may recover any overpayment from the owner.

c. PHA payment to owner

1. Each month the PHA must make a housing assistance payment to the owner for a unit under lease to and occupied by an eligible family in accordance with the HAP contract.
 2. The monthly housing assistance payment to the owner for a contract unit is equal to the amount by which the rent to owner exceeds the tenant rent.
 3. Payment of the tenant rent is the responsibility of the family. The PHA is not responsible for paying any part of the tenant rent, or for paying any other claim by the owner against a family. The PHA is responsible only for making housing assistance payments to the owner on behalf of a family in accordance with the HAP contract.
 4. The owner will be paid the housing assistance payment under the HAP contract on or about the first day of the month for which payment is due, unless the owner and the PHA agree on a later date.
 5. To receive housing assistance payments in accordance with the
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HAP contract, the owner must comply with all the provisions of the HAP contract. Unless the owner complies with all the provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

6. If the PHA determines that the owner is not entitled to the payment or any part of it, the PHA, in addition to other remedies, may deduct the amount of the overpayment from any amounts due the owner, including amounts due under any other housing assistance payments contract.
7. The owner will notify the PHA promptly of any change of circumstances that would affect the amount of the monthly housing assistance payment, and will return any payment that does not conform to the changed circumstances.

d. Termination of assistance for family

The PHA may terminate housing assistance for a family under the HAP contract in accordance with HUD requirements. The PHA must notify the owner in writing of its decision to terminate housing assistance for the family in such case.

5. ADJUSTMENT OF RENT TO OWNER

a. PHA determination of adjusted rent

1. At each annual anniversary during the term of the HAP contract, the PHA shall adjust the amount of rent to owner, upon request to the PHA by the owner, in accordance with law and HUD requirements. In addition, the PHA shall adjust the rent to owner when there is a ten percent decrease in the published, applicable Fair Market Rent in accordance with 24 CFR 983.302. However, if the PHA has elected within the HAP contract not to reduce rents below the initial rent to owner, the rent to owner shall not be reduced below the initial rent to owner except in those cases described in 24 CFR 983.302(c)(2).
2. The adjustment of rent to owner shall always be determined in accordance with all HUD requirements. The amount of the rent to owner may be adjusted up or down, in the amount defined by the PHA in accordance with HUD requirements.

b. Reasonable rent

The rent to owner for each contract unit, as adjusted by the PHA in accordance with 24 CFR 983.303, may at no time exceed the reasonable rent charged for comparable units in the private unassisted market, except in cases where the PHA has elected within the HAP contract not to reduce rents below the initial rent to owner. The reasonable rent shall be determined by the PHA in accordance with HUD requirements.

c. No special adjustments

The PHA will not make any special adjustments of the rent to owner.

d. Owner compliance with HAP contract

The PHA shall not approve, and the owner shall not receive, any increase of rent to owner unless all contract units are in accordance with the HQS, and the owner has complied with the terms of the assisted leases and the HAP contract.

e. Notice of rent adjustment

Rent to owner shall be adjusted by written notice by the PHA to the owner in accordance with this section. Such notice constitutes an amendment of the rents specified in Exhibit A.

6. OWNER RESPONSIBILITY

The owner is responsible for:

- a. Performing all management and rental functions for the contract units.
- b. Maintaining the units in accordance with HQS.
- c. Complying with equal opportunity requirements.
- d. Enforcing tenant obligations under the lease.
- e. Paying for utilities and housing services (unless paid by the family under the lease).
- f. Collecting from the tenant:
 1. Any security deposit;

2. The tenant rent; and
3. Any charge for unit damage by the family.

7. OWNER CERTIFICATION

The owner certifies that at all times during the term of the HAP contract:

- a. All contract units are in good and tenantable condition. The owner is maintaining the premises and all contract units in accordance with the HQS.
- b. The owner is providing all the services, maintenance and utilities as agreed to under the HAP contract and the leases with assisted families.
- c. Each contract unit for which the owner is receiving housing assistance payments is leased to an eligible family referred by the PHA, and the lease is in accordance with the HAP contract and HUD requirements.
- d. To the best of the owner's knowledge, the members of the family reside in each contract unit for which the owner is receiving housing assistance payments, and the unit is the family's only residence.
- e. The owner (including a principal or other interested party) is not the parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit unless the PHA has determined that approving leasing of the unit would provide a reasonable accommodation for a family member who is a person with disabilities.
- f. The amount of the housing assistance payment is the correct amount due under the HAP contract.
- g. The rent to owner for each contract unit does not exceed rents charged by the owner for other comparable unassisted units.
- h. Except for the housing assistance payment and the tenant rent as provided under the HAP contract, the owner has not received and will not receive any payments or other consideration (from the family, the PHA, HUD, or any other public or private source) for rental of the contract unit.
- i. The family does not own, or have any interest in the contract unit. If the owner is a cooperative, the family may be a member of the cooperative.

8. CONDITION OF UNITS

a. Owner maintenance and operation

The owner must maintain and operate the contract units and premises to provide decent, safe and sanitary housing in accordance with the HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance and utilities set forth in Exhibits B and C, and in the lease with each assisted family.

b. PHA inspections

1. The PHA must inspect each contract unit before execution of the HAP contract. The PHA may not enter into a HAP contract covering a unit until the unit fully complies with the HQS.
2. Before providing assistance to a new family in a contract unit, the PHA must inspect the unit. The PHA may not provide assistance on behalf of the family until the unit fully complies with the HQS.
3. At least biennially during the term of the HAP contract, the PHA must inspect a random sample, consisting of at least 20 percent of the contract units in each building, to determine if the contract units and the premises are maintained in accordance with the HQS. Turnover inspections pursuant to paragraph 2 of this section are not counted toward meeting this biennial inspection requirement.
4. If more than 20 percent of the sample of inspected contract units in a building fail the initial inspection, the PHA must reinspect 100 percent of the contract units in the building.
5. The PHA must inspect contract units whenever needed to determine that the contract units comply with the HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The PHA must take into account complaints and any other information that comes to its attention in scheduling inspections.

c. Violation of the housing quality standards

1. If the PHA determines a contract unit is not in accordance with the HQS, the PHA may exercise any of its remedies under the HAP contract for all or any contract units. Such remedies include

termination, suspension or reduction of housing assistance payments, and termination of the HAP contract.

2. The PHA may exercise any such contractual remedy respecting a contract unit even if the family continues to occupy the unit.
3. The PHA shall not make any housing assistance for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the PHA and the PHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any PHA-approved extension).

d. Maintenance and replacement—owner’s standard practice

Maintenance and replacement (including redecoration) must be in accordance with the standard practice for the building concerned as established by the owner.

9. LEASING CONTRACT UNITS

a. Selection of tenants

1. During the term of the HAP contract, the owner must lease all contract units to eligible families selected and referred by the PHA from the PHA waiting list. (See 24 CFR 983.251.)
2. The owner is responsible for adopting written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant’s ability to perform the lease obligations.
3. Consistent with HUD requirements and Federal civil rights and fair housing requirements, the owner may apply its own nondiscriminatory tenant selection procedures in determining whether to admit a family referred by the PHA for occupancy of a contract unit. The owner may refer families to the PHA for placement on the PBV waiting list.
4. The owner must promptly notify in writing any rejected applicant of the grounds for rejection.
5. The PHA must determine family eligibility in accordance with

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HUD requirements.

6. The contract unit leased to each family must be appropriate for the size of the family under the PHA's subsidy standards.
7. If a contract unit was occupied by an eligible family at the time the unit was selected by the PHA, or is so occupied on the effective date of the HAP contract, the owner must offer the family the opportunity to lease the same or another appropriately-sized contract unit with assistance under the HAP contract.
8. The owner is responsible for screening and selecting tenants from the families referred by the PHA from its waiting list.

b. Vacancies

1. The owner must promptly notify the PHA of any vacancy in a contract unit. After receiving the owner notice, the PHA shall make every reasonable effort to refer a sufficient number of families for owner to fill the vacancy.
2. The owner must rent vacant contract units to eligible families on the PHA waiting list referred by the PHA.
3. The PHA and the owner must make reasonable, good faith efforts to minimize the likelihood and length of any vacancy.
4. If any contract units have been vacant for a period of 120 or more days since owner notice of vacancy (and notwithstanding the reasonable, good faith efforts of the PHA to fill such vacancies), the PHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (by number of bedrooms) that have been vacant for such period.

10. TENANCY

a. Lease

The lease between the owner and each assisted family must be in accordance with HUD requirements. In all cases, the lease must include the HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

b. Termination of tenancy

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1. The owner may terminate a tenancy only in accordance with the lease and HUD requirements.
2. The owner must give the PHA a copy of any owner eviction notice to the tenant at the same time that the owner gives notice to the tenant. Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used to commence an eviction action under State or local law.

c. Family payment

1. The portion of the monthly rent to owner payable by the family (“tenant rent”) will be determined by the PHA in accordance with HUD requirements. The amount of the tenant rent is subject to change during the term of the HAP contract. Any changes in the amount of the tenant rent will be effective on the date stated in a notice by the PHA to the family and the owner.
2. The amount of the tenant rent as determined by the PHA is the maximum amount the owner may charge the family for rent of a contract unit, including all housing services, maintenance and utilities to be provided by the owner in accordance with the HAP contract and the lease.
3. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the PHA. The owner must immediately return any excess rent payment to the tenant.
4. The family is not responsible for payment of the portion of the contract rent covered by the housing assistance payment under the HAP contract. The owner may not terminate the tenancy of an assisted family for nonpayment of the PHA housing assistance payment.
5. The PHA is responsible only for making the housing assistance payments to the owner on behalf of the family in accordance with the HAP contract. The PHA is not responsible for paying the tenant rent, or any other claim by the owner.

d. Other owner charges

1. Except as provided in paragraph 2, the owner may not require the tenant or family members to pay charges for meals or supportive services. Nonpayment of such charges is not grounds for termination of tenancy.
2. In assisted living developments receiving project-based voucher assistance, owners may charge tenants, family members, or both for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of reasonable rent. Non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.
3. The owner may not charge the tenant or family members extra amounts for items customarily included in rent in the locality or provided at no additional cost to the unsubsidized tenant in the premises.

e. Security deposit

1. The owner may collect a security deposit from the family.
2. The owner must comply with HUD and PHA requirements, which may change from time to time, regarding security deposits from a tenant.
3. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted families.
4. When the family moves out of the contract unit, the owner, subject to State and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit or other amounts which the family owes under the lease. The owner must give the family a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used as reimbursement to the owner, the owner must promptly refund the full amount of the balance to the family.
5. If the security deposit is not sufficient to cover amounts the family owes under the lease, the owner may seek to collect the balance from the family. However, the PHA has no liability or responsibility for payment of any amount owed by the family to

the owner.

11. FAMILY RIGHT TO MOVE

- a. The family may terminate its lease at any time after the first year of occupancy. The family must give the owner advance written notice of intent to vacate (with a copy to the PHA) in accordance with the lease. If the family has elected to terminate the lease in this manner, the PHA must offer the family the opportunity for tenant-based rental assistance in accordance with HUD requirements.
- b. Before providing notice to terminate the lease under paragraph a, the family must first contact the PHA to request tenant-based rental assistance if the family wishes to move with continued assistance. If tenant-based rental assistance is not immediately available upon lease termination, the PHA shall give the family priority to receive the next available opportunity for tenant-based rental assistance.

12. OVERCROWDED, UNDER-OCCUPIED, AND ACCESSIBLE UNITS

The PHA subsidy standards determine the appropriate unit size for the family size and composition. The PHA and owner must comply with the requirements in 24 CFR 983.260. If the PHA determines that a family is occupying a wrong-size unit, or a unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, the PHA must promptly notify the family and the owner of this determination, and of the PHA's offer of continued assistance in another unit. 24 CFR 983.260(a).

13. PROHIBITION OF DISCRIMINATION

- a. The owner may not refuse to lease contract units to, or otherwise discriminate against any person or family in leasing of a contract unit, because of race, color, religion, sex (including sexual orientation and gender identity), national origin, disability, age or familial status.
- b. The owner must comply with the following requirements: The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 *et seq.*; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing

regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.*; 28 CFR part 35; Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964–1965 Comp., p. 339; 3 CFR, 1966–1970 Comp., p. 684; 3 CFR, 1966–1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971–1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women’s Business Enterprise).

- c. The owner must comply with HUD’s Equal Access to HUD-assisted or -insured housing rule (24 CFR 5.105(a)(2)).
- d. The owner must comply with the Violence Against Women Act, as amended, and HUD’s implementing regulation at 24 CFR part 5, Subpart L, and program regulations.
- e. The PHA and the owner must cooperate with HUD in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and all related rules and regulations.

14. PHA DEFAULT AND HUD REMEDIES

If HUD determines that the PHA has failed to comply with the HAP contract, or has failed to take appropriate action to HUD’s satisfaction or as directed by HUD, for enforcement of the PHA’s rights under the HAP contract, HUD may assume the PHA’s rights and obligations under the HAP contract, and may perform the obligations and enforce the rights of the PHA under the HAP contract.

15. OWNER DEFAULT AND PHA REMEDIES

a. Owner default

Any of the following is a default by the owner under the HAP contract:

- 1. The owner has failed to comply with any obligation under the HAP contract, including the owner’s obligations to maintain all contract

units in accordance with the housing quality standards.

2. The owner has violated any obligation under any other housing assistance payments contract under Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).
3. The owner has committed any fraud or made any false statement to the PHA or HUD in connection with the HAP contract.
4. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing assistance program.
5. If the property where the contract units are located is subject to a lien or security interest securing a HUD loan or a mortgage insured by HUD and:
 - a. The owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement; or
 - b. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with the HUD loan or HUD-insured mortgage.
6. The owner has engaged in any drug-related criminal activity or any violent criminal activity.

b. PHA remedies

1. If the PHA determines that a breach has occurred, the PHA may exercise any of its rights or remedies under the HAP contract.
2. The PHA must notify the owner in writing of such determination. The notice by the PHA to the owner may require the owner to take corrective action (as verified by the PHA) by a time prescribed in the notice.
3. The PHA's rights and remedies under the HAP contract include recovery of overpayments, termination or reduction of housing assistance payments, and termination of the HAP contract.

c. PHA remedy is not waived

The PHA's exercise or non-exercise of any remedy for owner breach of the HAP contract is not a waiver of the right to exercise that remedy or any other right or remedy at any time.

**16. OWNER DUTY TO PROVIDE INFORMATION AND ACCESS
REQUIRED BY HUD OR PHA**

a. Required information

The owner must prepare and furnish any information pertinent to the HAP contract as may reasonably be required from time to time by the PHA or HUD. The owner shall furnish such information in the form and manner required by the PHA or HUD.

b. PHA and HUD access to premises

The owner must permit the PHA or HUD or any of their authorized representatives to have access to the premises during normal business hours and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the owner to the extent necessary to determine compliance with the HAP contract, including the verification of information pertinent to the housing assistance payments or the HAP contract.

17. PHA AND OWNER RELATION TO THIRD PARTIES

a. Injury because of owner action or failure to act

The PHA has no responsibility for or liability to any person injured as a result of the owner's action or failure to act in connection with the implementation of the HAP contract, or as a result of any other action or failure to act by the owner.

b. Legal relationship

The owner is not the agent of the PHA. The HAP contract does not create or affect any relationship between the PHA and any lender to the owner or any suppliers, employees, contractors or subcontractors used by the owner in connection with the implementation of the HAP contract.

c. Exclusion of third-party claims

Nothing in the HAP contract shall be construed as creating any right of a family or other third party (other than HUD) to enforce any provision of the HAP contract, or to assert any claim against HUD, the PHA or the

owner under the HAP contract.

d. Exclusion of owner claims against HUD

Nothing in the HAP contract shall be construed as creating any right of the owner to assert any claim against HUD.

18. PHA-OWNED UNITS

Notwithstanding Section 17 of this HAP contract, a PHA may own units assisted under the project-based voucher program, subject to the special requirements in 24 CFR 983.59 regarding PHA-owned units.

19. CONFLICT OF INTEREST

a. Interest of members, officers, or employees of PHA, members of local governing body, or other public officials

1. No present or former member or officer of the PHA (except tenant-commissioners), no employee of the PHA who formulates policy or influences decisions with respect to the housing choice voucher program or project-based voucher program, and no public official or member of a governing body or State or local legislator who exercises functions or responsibilities with respect to these programs, shall have any direct or indirect interest, during his or her tenure or for one year thereafter, or in the HAP contract.
2. HUD may waive this provision for good cause.

b. Disclosure

The owner has disclosed to the PHA any interest that would be a violation of the HAP contract. The owner must fully and promptly update such disclosures.

c. Interest of member of or delegate to 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 HAP Contract or to any benefits arising from the contract.

20. EXCLUSION FROM FEDERAL PROGRAMS

a. Federal requirements

The owner must comply with and is subject to requirements of 2 CFR part 2424.

b. Disclosure

The owner certifies that:

1. The owner has disclosed to the PHA the identity of the owner and any principal or interested party.
2. Neither the owner nor any principal or interested party is listed on the U.S. General Services Administration list of parties excluded from Federal procurement and non-procurement programs; and none of such parties are debarred, suspended, subject to a limited denial of participation or otherwise excluded under 2 CFR part 2424.

21. TRANSFER OF THE CONTRACT OR PROPERTY

a. When consent is required

1. The owner agrees that neither the HAP contract nor the property may be transferred without the advance written consent of the PHA in accordance with HUD requirements.
2. “Transfer” includes:
 - i. Any sale or assignment or other transfer of ownership, in any form, of the HAP contract or the property;
 - ii. The transfer of any right to receive housing assistance payments that may be payable pursuant to the HAP contract;
 - iii. The creation of a security interest in the HAP contract or the property;
 - iv. Foreclosure or other execution on a security interest; or
 - v. A creditor’s lien, or transfer in bankruptcy.
3. If the owner is a corporation, partnership, trust or joint venture, the owner is not required to obtain advance consent of the PHA

pursuant to paragraph a for transfer of a passive and non-controlling interest in the ownership entity (such as a stock transfer or transfer of the interest of a limited partner), if any interests so transferred cumulatively represent less than half the beneficial interest in the HAP contract or the property. The owner must obtain advance consent pursuant to paragraph a for transfer of any interest of a general partner.

b. Transferee assumption of HAP contract

No transferee (including the holder of a security interest, the security holder's transferee or successor in interest, or the transferee upon exercise of a security interest) shall have any right to receive any payment of housing assistance payments pursuant to the HAP contract, or to exercise any rights or remedies under the HAP contract, unless the PHA has consented in advance, in writing to such transfer, and the transferee has agreed in writing, in a form acceptable to the PHA in accordance with HUD requirements, to assume the obligations of the owner under the HAP contract, and to comply with all the terms of the HAP contract.

c. Effect of consent to transfer

1. The creation or transfer of any security interest in the HAP contract is limited to amounts payable under the HAP contract in accordance with the terms of the HAP contract.
2. The PHA's consent to transfer of the HAP contract or the property does not to change the terms of the HAP contract in any way, and does not change the rights or obligations of the PHA or the owner under the HAP contract.
3. The PHA's consent to transfer of the HAP contract or the property to any transferee does not constitute consent to any further transfers of the HAP contract or the property, including further transfers to any successors or assigns of an approved transferee.

d. When transfer is prohibited

The PHA will not consent to the transfer if any transferee, or any principal or interested party is debarred, suspended subject to a limited denial of participation, or otherwise excluded under 2 CFR part 2424, or is listed on the U.S. General Services Administration list of parties excluded from Federal procurement or non-procurement programs.

22. SUBSIDY LAYERING

A subsidy layering review is not required for existing housing projects.

23. OWNER LOBBYING CERTIFICATIONS

- a. The owner certifies, to the best of owner's knowledge and belief, that:
 - 1. No Federally appropriated funds have been paid or will be paid, by or on behalf of the owner, to 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 the awarding of the HAP contract, or the extension, continuation, renewal, amendment, or modification of the HAP contract.
 - 2. If any funds other than Federally appropriated funds have been paid or will be paid to 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 the HAP contract, the owner must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- b. This certification by the owner is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352.

24. TERMINATION OF HAP CONTRACT FOR WRONGFUL SELECTION OF CONTRACT UNITS

The HAP contract may be terminated upon at least 30 days notice to the owner by the PHA or HUD if the PHA or HUD determines that the contract units were not eligible for selection in conformity with HUD requirements.

25. NOTICES AND OWNER CERTIFICATIONS

- a. Where the owner is required to give any notice to the PHA pursuant to the HAP contract or any other provision of law, such notice must be in writing and must be given in the form and manner required by the PHA.
- b. Any certification or warranty by the owner pursuant to the HAP contract shall be deemed a material representation of fact upon which reliance was placed when this transaction was made or entered into.

26. NOTICE OF TERMINATION OR EXPIRATION WITHOUT

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EXTENSION

- a. An owner must provide notice to the PHA, and to the affected tenants, not less than 1 year prior to the termination or expiration without extension of a HAP contract.
- b. An owner who fails to provide such notice must permit tenants to remain in their units for the required notice period with no increase in the tenant portion of the rent. During this time period, an owner may not evict a tenant as a result of the owner's inability to collect an increased tenant portion of rent. With PHA agreement, an owner may extend the terminating contract for a period of time sufficient to give tenants 1 year advance notice.

27. FAMILY'S RIGHT TO REMAIN

Upon termination or expiration of the contract without extension, each family assisted under the contract may elect to use its assistance to remain in the project if the family's unit complies with the inspection requirements under section 8(o)(8) (42 U.S.C. 1437f(o)(8) of the U.S. Housing Act of 1937 ("the 1937 Act")), the rent for the unit is reasonable as required by section 8(o)(10)(A) of the 1937 Act, and the family pays its required share of the rent and the amount, if any, by which the unit rent (including the amount allowed for tenant-paid utilities) exceeds the applicable payment standard.

28. ENTIRE AGREEMENT; INTERPRETATION

- a. The HAP contract, including the exhibits, is the entire agreement between the PHA and the owner.
- b. The HAP contract must be interpreted and implemented in accordance with all statutory requirements, and with all HUD requirements, including amendments or changes in HUD requirements during the term of the HAP contract. The owner agrees to comply with all such laws and HUD requirements. Any regulatory citation specifically included in this HAP contract is subject to any subsequent revision of such citation.

EXHIBIT A**TOTAL NUMBER OF UNITS IN PROJECT COVERED BY THIS HAP CONTRACT;
INITIAL RENT TO OWNER; AND DESCRIPTION OF CONTRACT UNITS**

A total of 51 units are within the property identified in this HAP Contract, of which 50 units are covered by this HAP Contract and 1 unit is for the property manager. The PBV units are designated for elderly families.

Development: Arrowhead Woods
Address: 1650 W. 16th Street
City, State, Zip: San Bernardino, CA 92411
Assessor's Parcel No. 0269-151-37-000

The contract units are floating units as follows:

Bedroom Size	# of Units	Contract Rent*
1	50	\$1,550

*Contract rents are those in effect on April 1, 2024.

EXHIBIT B

SERVICES, MAINTENANCE AND EQUIPMENT TO BE PROVIDED BY THE OWNER WITHOUT CHARGES IN ADDITION TO RENT TO OWNER

Unit amenities:

- Stove
- Refrigerator
- Garbage disposal
- Ceiling fans
- Gated
- Central air and heat

Community amenities:

- On-site manager
- Coin operated laundry room

EXHIBIT C

UTILITIES AVAILABLE IN THE CONTRACT UNITS, INCLUDING A LISTING OF UTILITY SERVICES TO BE PAID BY THE OWNER (WITHOUT CHARGES IN ADDITION TO RENT TO OWNER) AND UTILITIES TO BE PAID BY THE TENANTS

Utilities to be Paid by the Owner Without Charges in Addition to the Rent to Owner:

- Water
- Sewer
- Trash

Utilities to be Paid by the Tenants:

- Cooking (gas)
- Heating (gas)
- Other Electric
- Water Heating (Gas)

EXHIBIT D

**FEATURES TO BE PROVIDED TO COMPLY WITH PROGRAM ACCESSIBILITY FEATURES OF
SECTION 504 OF THE REHABILITATION ACT OF 1973**

Clubhouse is mobility accessible

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

January 13, 2026

FROM

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

SUBJECT

Extension of Project-Based Voucher Program Housing Assistance Payments Contract with Reliant Asset Management Solutions for the Sunset Pointe Property

RECOMMENDATION(S)

1. Approve a contract extension of the Project-Based Voucher Program Housing Assistance Payments Contract with Reliant Asset Management Solutions for 70 units at the Sunset Pointe property for a 15-year period from March 15, 2027, through March 14, 2042.
 2. Authorize and direct the Executive Director to execute and deliver the contract extension to Reliant Asset Management, and upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.
- (Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

Approval of the proposed extension to the Project-Based Voucher (PBV) Program Housing Assistance Payments (HAP) Contract will have no direct financial impact to the Housing Authority of the County of San Bernardino's (HACSB) annual budget as the payments coinciding with this contract are included in the annual HAP budget.

BACKGROUND INFORMATION

On March 15, 2012, HACSB entered into a 15-year PBV Program HAP Contract for Sunset Pointe, a 144-unit family development, owned by HACSB. Seventy (70) units receive PBV assistance. The contract expires on March 14, 2027.

The State of California requires that a property owner notify residents twelve months prior to the expiration of a HAP Contract if the contract will not be renewed. Therefore, this item is brought to the Board for consideration at least twelve months prior to the end of the Contract term. The PBV program ensures stable, affordable housing for low-income families in the City of Barstow. Therefore, the extension of the contract is appropriate to continue providing affordable housing for low-income families, and HACSB staff recommends the Board of Commissioners approve the extension of the HAP contract. Current HUD regulations prohibit the housing authority from serving as both the contract administrator and the contract owner on a HAP contract. However, the housing authority may designate an affiliate to serve as the owner for the purposes of the HAP contract, while the housing authority retains full ownership of the property. Reliant Asset Management Solutions, an HACSB affiliate, currently serves as the HAP contract owner for

Extension of Project-Based Voucher Program Housing Assistance Payments Contract with
Reliant Asset Management Solutions for the Sunset Pointe Property
January 13, 2026

several HACSB owned PBV developments. Therefore, the recommended HAP contract extension names Reliant Asset Management Solutions as the HAP contract owner.

PROCUREMENT

Not applicable

ITEM ATTACHMENTS

- Contract – PBV HAP Contract with Reliant Asset Management Solutions for Sunset Pointe

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on December 26, 2025.

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

**SECTION 8 PROJECT-BASED VOUCHER PROGRAM
HOUSING ASSISTANCE PAYMENTS CONTRACT**

EXISTING HOUSING

PART 1 OF HAP CONTRACT

OMB Burden Statement. The public reporting burden for this collection of information is estimated to average 1 hour. This form is required to establish terms between a PHA and owner to provide housing assistance. This contract allows a PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. Assurances of confidentiality are not provided under this collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Office of Public and Indian Housing, US. Department of Housing and Urban Development, Washington, DC 20410. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

Privacy Notice. The Department of Housing and Urban Development (HUD) is authorized to collect the information on this form by 24 CFR § 983.202. This contract allows a PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. Assurances of confidentiality are not provided under this collection. The Personally Identifiable Information (PII) data collected on this form are not stored or retrieved within a system of record.

1. CONTRACT INFORMATION

a. Parties

This housing assistance payments (HAP) contract is entered into between:

_____ (PHA) and

_____ (owner).

b. Contents of contract

The HAP contract consists of Part 1, Part 2, and the contract exhibits listed in paragraph c.

c. Contract exhibits

The HAP contract includes the following exhibits:

Previous editions are obsolete

**Project-Based Voucher Program
HAP Contract for Existing Housing**

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- EXHIBIT A: TOTAL NUMBER OF UNITS IN PROJECT COVERED BY THIS HAP CONTRACT; INITIAL RENT TO OWNER; AND DESCRIPTION OF THE CONTRACT UNITS. (See 24 CFR 983.203 for required items.)
- EXHIBIT B: SERVICES, MAINTENANCE AND EQUIPMENT TO BE PROVIDED BY THE OWNER WITHOUT CHARGES IN ADDITION TO RENT TO OWNER
- EXHIBIT C: UTILITIES AVAILABLE IN THE CONTRACT UNITS, INCLUDING A LISTING OF UTILITY SERVICES TO BE PAID BY THE OWNER (WITHOUT CHARGES IN ADDITION TO RENT TO OWNER) AND UTILITIES TO BE PAID BY THE TENANTS
- EXHIBIT D: FEATURES PROVIDED TO COMPLY WITH PROGRAM ACCESSIBILITY FEATURES OF SECTION 504 OF THE REHABILITATION ACT OF 1973 AND IMPLEMENTING REGULATIONS AT 24 CFR PART 8

ADDITIONAL EXHIBITS

d. Effective date and term of the HAP contract

1. Effective date

- a. The PHA may not enter into a HAP contract for any contract unit until the PHA (or an independent entity, as applicable) has determined that the unit meets the PBV inspection requirements.
- b. For all contract units, the effective date of the HAP contract is:
_____.
- c. The term of the HAP contract begins on the effective date.

2. Length of initial term

- a. Subject to paragraph 2.b, the initial term of the HAP contract for all contract units is:
_____.
- b. The initial term of the HAP contract may not be less than one year,

nor more than twenty years.

3. Extension of term

The PHA and owner may agree to enter into an extension of the HAP contract at the time of initial HAP contract execution, or any time prior to expiration of the contract. Any extension, including the term of such extension, must be in accordance with HUD requirements. A PHA must determine that any extension is appropriate to achieve long-term affordability of the housing or expand housing opportunities.

4. Requirement for sufficient appropriated funding

- a. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or by the PHA in accordance with HUD requirements, of sufficient appropriated funding (budget authority), as provided in appropriations acts and in the PHA's annual contributions contract (ACC) with HUD, to make full payment of housing assistance payments due to the owner for any contract year in accordance with the HAP contract.
- b. The availability of sufficient funding must be determined by HUD or by the PHA in accordance with HUD requirements. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the PHA has the right to terminate the HAP contract by notice to the owner for all or any of the contract units. Such action by the PHA shall be implemented in accordance with HUD requirements.

e. Occupancy and payment

1. Payment for occupied unit

During the term of the HAP contract, the PHA shall make housing assistance payments to the owner for the months during which a contract unit is leased to and occupied by an eligible family. If an assisted family moves out of a contract unit, the owner may keep the housing assistance payment for the calendar month when the family moves out (“move-out month”). However, the owner may not keep the payment if the PHA determines that the vacancy is the owner’s fault.

2. Vacancy payment

THE PHA HAS DISCRETION WHETHER TO INCLUDE THE
VACANCY PAYMENT PROVISION (PARAGRAPH e.2), OR TO
STRIKE THIS PROVISION FROM THE HAP CONTRACT FORM.

- a. ~~If an assisted family moves out of a contract unit, the PHA may provide vacancy payments to the owner for a PHA-determined vacancy period extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month.~~
- b. ~~The vacancy payment to the owner for each month of the maximum two-month period will be determined by the PHA, and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit). Any vacancy payment may cover only the period the unit remains vacant.~~
- e. ~~The PHA may make vacancy payments to the owner only if:~~
 - 1. ~~The owner gives the PHA prompt, written notice certifying that the family has vacated the unit and the date when the family moved out (to the best of the owner's knowledge and belief);~~
 - 2. ~~The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;~~
 - 3. ~~The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and~~
 - 4. ~~The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.~~
- d. ~~The PHA must take every reasonable action to minimize the likelihood and length of vacancy.~~
- e. ~~The owner may refer families to the PHA for placement on the PBV waiting list.~~

- f. ~~The owner must submit a request for vacancy payments in the form and manner required by the PHA and must provide any information or substantiation required by the PHA to determine the amount of any vacancy payments.~~

3. PHA is not responsible for family damage or debt to owner

Except as provided in this paragraph e (Occupancy and Payment), the PHA will not make any other payment to the owner under the HAP contract. The PHA will not make any payment to the owner for any damages to the unit, or for any other amounts owed by a family under the family's lease.

f. Income-mixing requirement

1. Except as provided in paragraphs f.2 through f.5 below, the PHA will not make housing assistance payments under the HAP contract for more than the greater of 25 units or 25 percent of the total number of dwelling units (assisted or unassisted) in any project. The term "project" means a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land assisted under this HAP contract.
2. The limitation in paragraph f.1 does not apply to single-family buildings.
3. In referring eligible families to the owner for admission to the number of contract units in any project exceeding the 25 unit or 25 percent limitation under paragraph f.1, the PHA shall give preference to the applicable families as listed in f.8 below, for the number of contract units exclusively made available for occupancy by such families. The owner shall rent that number of contract units to such families referred by the PHA from the PHA waiting list.
4. Up to the greater of 25 units or 40 percent of units (instead of the greater of 25 units or 25 percent of units) in a project may be project-based if the project is located in a census tract with a poverty rate of 20 percent or less.
5. Units that were previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD do not count toward the income-mixing requirement if, in the five years prior to issuance of the Request for Proposal or notice of owner selection (for projects selected based on a prior competition or without competition), the unit received one of the forms of HUD assistance or was under a federal rent restriction as described in f.6 and f.7, below.

6. The following specifies the number of contract units (if any) that received one of the following forms of HUD assistance:

- ☐ Public Housing or Operating Funds;
- ☐ Project-Based Rental Assistance (including Mod Rehab and Mod Rehab Single-Room Occupancy);
- ☐ Housing for the Elderly (Section 202 or the Housing Act of 1959);
- ☐ Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez Affordable Housing Act);
- ☐ Rent Supplement Program;
- ☐ Rental Assistance Program;
- ☐ Flexible Subsidy Program.

Place a check mark in front of the form of assistance received by any of the contract units. The following total number of contract units received a form of HUD assistance listed above:

_____.

If all of the units in the project received such assistance, you may skip number g.8, below.

7. The following specifies the number of contract units (if any) that were under any of the following federal rent restrictions:

- ☐ Section 236;
- ☐ Section 221(d)(3) or (d)(4) BMIR (below-market interest rate);
- ☐ Housing for the Elderly (Section 202 or the Housing Act of 1959);
- ☐ Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez Affordable Housing Act);
- ☐ Flexible Subsidy Program.

Place a check mark in front of the type of federal rent restriction that applied to any of the contract units. The following total number of contract

units were subject to a federal rent restriction listed above:

_____.

If all of the units in the project were subject to a federal rent restriction, you may skip number g.8, below.

8. The following specifies the number of contract units (if any) exclusively made available to elderly families, families eligible for supportive services, or eligible youth receiving Family Unification Program or Foster Youth to Independence (FUP/FYI) assistance:
- a. Place a check mark here ____ if any contract units are exclusively made available for occupancy by elderly families; The following number of contract units shall be rented to elderly families:
- _____.
- b. Place a check mark here ____ if any contract units are exclusively made available for occupancy by families eligible for supportive services. The following number of contract units shall be rented to families eligible for supportive services:
- _____.
- c. Place a check mark here ____ if any contract units are exclusively made available for occupancy by eligible youth receiving FUP/FYI assistance. The following number of contract units shall be rented to eligible families receiving FUP/FYI assistance:
- _____.
9. The PHA and owner must comply with all HUD requirements regarding income mixing.

EXECUTION OF HAP CONTRACT FOR EXISTING HOUSING

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).

PUBLIC HOUSING AGENCY (PHA) Name of PHA (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date
OWNER Name of Owner (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date

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**Project-Based Voucher Program
HAP Contract for Existing Housing**

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

**HOUSING ASSISTANCE PAYMENTS CONTRACT
EXISTING HOUSING**

PART 2 OF HAP CONTRACT

OMB Burden Statement. The public reporting burden for this collection of information is estimated to average 1 hour. This form is required to establish terms between a PHA and owner to provide housing assistance. This contract allows a PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. Assurances of confidentiality are not provided under this collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Office of Public and Indian Housing, US. Department of Housing and Urban Development, Washington, DC 20410. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

2. DEFINITIONS

Contract units. The housing units covered by this HAP contract. The contract units are described in Exhibit A.

Controlling interest. In the context of PHA-owned units (see definition below), controlling interest means:

- (a) Holding more than 50 percent of the stock of any corporation; or
- (b) Having the power to appoint more than 50 percent of the members of the board of directors of a non-stock corporation (such as a non-profit corporation); or
- (c) Where more than 50 percent of the members of the board of directors of any corporation also serve as directors, officers, or employees of the PHA; or
- (d) Holding more than 50 percent of all managing member interests in an LLC; or
- (e) Holding more than 50 percent of all general partner interests in a partnership;
or
- (f) Having equivalent levels of control in other ownership structures.

Existing housing. Housing units that already exist on the proposal selection date

and that substantially comply with the housing quality standards on that date. The units must fully comply with the housing quality standards before execution of the HAP contract.

Family. The persons approved by the PHA to reside in a contract unit with assistance under the program.

HAP contract. This housing assistance payments contract between the PHA and the owner. The contract consists of Part 1, Part 2, and the contract exhibits (listed in section 1.c of the HAP contract).

Household. The family and any PHA-approved live-in aide.

Housing assistance payment. The monthly assistance payment by the PHA for a contract unit, which includes: (1) a payment to the owner for rent to the owner under the family's lease minus the tenant rent; and (2) an additional payment to or on behalf of the family if the utility allowance exceeds total tenant payment.

Housing quality standards (HQS). The HUD minimum quality standards for dwelling units occupied by families receiving project-based voucher program assistance.

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

HUD requirements. HUD requirements which apply to the project-based voucher program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

Owner. Any person or entity who has the legal right to lease or sublease a unit to a participant.

Premises. The building or complex in which a contract unit is located, including common areas or grounds.

Principal or interested party. This term includes a management agent and other persons or entities participating in project management, and the officers and principal members, shareholders, investors, and other parties having a substantial interest in the HAP contract, or in any proceeds or benefits arising from the HAP contract.

Program. The project-based voucher program (see authorization for project-based assistance at 42 U.S.C. 1437f(o)(13)).

PHA. Public Housing Agency. The agency that has entered into the HAP contract with the owner. The agency is a public housing agency as defined in the United

States Housing Act of 1937 (42 U.S.C. 1437a(b)(6)).

PHA-owned units. A unit is “owned by a PHA” if the unit is in a project that is:

- (a) Owned by the PHA (which includes a PHA having a “controlling interest” in the entity that owns the unit; see definition above);
- (b) Owned by an entity wholly controlled by the PHA; or
- (c) Owned by a limited liability company (LLC) or limited partnership in which the PHA (or an entity wholly controlled by the PHA) holds a controlling interest in the managing member or general partner.

Proposal selection date. The date the PHA gives written notice of proposal selection to the owner whose proposal is selected in accordance with the criteria established in the PHA’s administrative plan.

Rent to owner. The total monthly rent payable to the owner under the lease for a contract unit. Rent to owner includes payment for any housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

Tenant. The person or persons (other than a live-in aide) who executes the lease as a lessee of the dwelling unit.

Tenant rent. The portion of the rent to owner payable by the family, as determined by the PHA in accordance with HUD requirements. The PHA is not responsible for paying any part of the tenant rent.

3. **PURPOSE**

- a. This is a HAP contract between the PHA and the owner.
- b. The purpose of the HAP contract is to provide housing assistance payments for eligible families who lease contract units that comply with the HUD HQS from the owner.
- c. The PHA must make housing assistance payments to the owner in accordance with the HAP contract for contract units leased and occupied by eligible families during the HAP contract term. HUD provides funds to the PHA to make housing assistance payments to owners for eligible families.

4. RENT TO OWNER; HOUSING ASSISTANCE PAYMENTS

a. Amount of initial rent to owner

The initial rent to owner for each contract unit is stated in Exhibit A, which is attached to and made a part of the HAP contract. At the beginning of the HAP contract term, and until rent to owner is adjusted in accordance with section 5 of the HAP contract, the rent to owner for each bedroom size (number of bedrooms) shall be the initial rent to owner amount listed in Exhibit A.

Place a check mark here ____ if the PHA has elected not to reduce rents below the initial rent to owner.

b. HUD rent requirements

Notwithstanding any other provision of the HAP contract, the rent to owner may in no event exceed the amount authorized in accordance with HUD requirements. The PHA has the right to reduce the rent to owner, at any time, to correct any errors in establishing or adjusting the rent to owner in accordance with HUD requirements. The PHA may recover any overpayment from the owner.

c. PHA payment to owner

1. Each month the PHA must make a housing assistance payment to the owner for a unit under lease to and occupied by an eligible family in accordance with the HAP contract.
 2. The monthly housing assistance payment to the owner for a contract unit is equal to the amount by which the rent to owner exceeds the tenant rent.
 3. Payment of the tenant rent is the responsibility of the family. The PHA is not responsible for paying any part of the tenant rent, or for paying any other claim by the owner against a family. The PHA is responsible only for making housing assistance payments to the owner on behalf of a family in accordance with the HAP contract.
 4. The owner will be paid the housing assistance payment under the HAP contract on or about the first day of the month for which payment is due, unless the owner and the PHA agree on a later date.
 5. To receive housing assistance payments in accordance with the
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HAP Contract for Existing Housing**

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HAP contract, the owner must comply with all the provisions of the HAP contract. Unless the owner complies with all the provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

6. If the PHA determines that the owner is not entitled to the payment or any part of it, the PHA, in addition to other remedies, may deduct the amount of the overpayment from any amounts due the owner, including amounts due under any other housing assistance payments contract.
7. The owner will notify the PHA promptly of any change of circumstances that would affect the amount of the monthly housing assistance payment, and will return any payment that does not conform to the changed circumstances.

d. Termination of assistance for family

The PHA may terminate housing assistance for a family under the HAP contract in accordance with HUD requirements. The PHA must notify the owner in writing of its decision to terminate housing assistance for the family in such case.

5. ADJUSTMENT OF RENT TO OWNER

a. PHA determination of adjusted rent

1. At each annual anniversary during the term of the HAP contract, the PHA shall adjust the amount of rent to owner, upon request to the PHA by the owner, in accordance with law and HUD requirements. In addition, the PHA shall adjust the rent to owner when there is a ten percent decrease in the published, applicable Fair Market Rent in accordance with 24 CFR 983.302. However, if the PHA has elected within the HAP contract not to reduce rents below the initial rent to owner, the rent to owner shall not be reduced below the initial rent to owner except in those cases described in 24 CFR 983.302(c)(2).
2. The adjustment of rent to owner shall always be determined in accordance with all HUD requirements. The amount of the rent to owner may be adjusted up or down, in the amount defined by the PHA in accordance with HUD requirements.

b. Reasonable rent

The rent to owner for each contract unit, as adjusted by the PHA in accordance with 24 CFR 983.303, may at no time exceed the reasonable rent charged for comparable units in the private unassisted market, except in cases where the PHA has elected within the HAP contract not to reduce rents below the initial rent to owner. The reasonable rent shall be determined by the PHA in accordance with HUD requirements.

c. No special adjustments

The PHA will not make any special adjustments of the rent to owner.

d. Owner compliance with HAP contract

The PHA shall not approve, and the owner shall not receive, any increase of rent to owner unless all contract units are in accordance with the HQS, and the owner has complied with the terms of the assisted leases and the HAP contract.

e. Notice of rent adjustment

Rent to owner shall be adjusted by written notice by the PHA to the owner in accordance with this section. Such notice constitutes an amendment of the rents specified in Exhibit A.

6. OWNER RESPONSIBILITY

The owner is responsible for:

- a. Performing all management and rental functions for the contract units.
- b. Maintaining the units in accordance with HQS.
- c. Complying with equal opportunity requirements.
- d. Enforcing tenant obligations under the lease.
- e. Paying for utilities and housing services (unless paid by the family under the lease).
- f. Collecting from the tenant:
 1. Any security deposit;

2. The tenant rent; and
3. Any charge for unit damage by the family.

7. OWNER CERTIFICATION

The owner certifies that at all times during the term of the HAP contract:

- a. All contract units are in good and tenantable condition. The owner is maintaining the premises and all contract units in accordance with the HQS.
- b. The owner is providing all the services, maintenance and utilities as agreed to under the HAP contract and the leases with assisted families.
- c. Each contract unit for which the owner is receiving housing assistance payments is leased to an eligible family referred by the PHA, and the lease is in accordance with the HAP contract and HUD requirements.
- d. To the best of the owner's knowledge, the members of the family reside in each contract unit for which the owner is receiving housing assistance payments, and the unit is the family's only residence.
- e. The owner (including a principal or other interested party) is not the parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit unless the PHA has determined that approving leasing of the unit would provide a reasonable accommodation for a family member who is a person with disabilities.
- f. The amount of the housing assistance payment is the correct amount due under the HAP contract.
- g. The rent to owner for each contract unit does not exceed rents charged by the owner for other comparable unassisted units.
- h. Except for the housing assistance payment and the tenant rent as provided under the HAP contract, the owner has not received and will not receive any payments or other consideration (from the family, the PHA, HUD, or any other public or private source) for rental of the contract unit.
- i. The family does not own, or have any interest in the contract unit. If the owner is a cooperative, the family may be a member of the cooperative.

8. CONDITION OF UNITS

a. Owner maintenance and operation

The owner must maintain and operate the contract units and premises to provide decent, safe and sanitary housing in accordance with the HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance and utilities set forth in Exhibits B and C, and in the lease with each assisted family.

b. PHA inspections

1. The PHA must inspect each contract unit before execution of the HAP contract. The PHA may not enter into a HAP contract covering a unit until the unit fully complies with the HQS.
2. Before providing assistance to a new family in a contract unit, the PHA must inspect the unit. The PHA may not provide assistance on behalf of the family until the unit fully complies with the HQS.
3. At least biennially during the term of the HAP contract, the PHA must inspect a random sample, consisting of at least 20 percent of the contract units in each building, to determine if the contract units and the premises are maintained in accordance with the HQS. Turnover inspections pursuant to paragraph 2 of this section are not counted toward meeting this biennial inspection requirement.
4. If more than 20 percent of the sample of inspected contract units in a building fail the initial inspection, the PHA must reinspect 100 percent of the contract units in the building.
5. The PHA must inspect contract units whenever needed to determine that the contract units comply with the HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The PHA must take into account complaints and any other information that comes to its attention in scheduling inspections.

c. Violation of the housing quality standards

1. If the PHA determines a contract unit is not in accordance with the HQS, the PHA may exercise any of its remedies under the HAP contract for all or any contract units. Such remedies include

termination, suspension or reduction of housing assistance payments, and termination of the HAP contract.

2. The PHA may exercise any such contractual remedy respecting a contract unit even if the family continues to occupy the unit.
3. The PHA shall not make any housing assistance for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the PHA and the PHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any PHA-approved extension).

d. Maintenance and replacement—owner’s standard practice

Maintenance and replacement (including redecoration) must be in accordance with the standard practice for the building concerned as established by the owner.

9. LEASING CONTRACT UNITS

a. Selection of tenants

1. During the term of the HAP contract, the owner must lease all contract units to eligible families selected and referred by the PHA from the PHA waiting list. (See 24 CFR 983.251.)
2. The owner is responsible for adopting written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant’s ability to perform the lease obligations.
3. Consistent with HUD requirements and Federal civil rights and fair housing requirements, the owner may apply its own nondiscriminatory tenant selection procedures in determining whether to admit a family referred by the PHA for occupancy of a contract unit. The owner may refer families to the PHA for placement on the PBV waiting list.
4. The owner must promptly notify in writing any rejected applicant of the grounds for rejection.
5. The PHA must determine family eligibility in accordance with

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HAP Contract for Existing Housing**

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HUD requirements.

6. The contract unit leased to each family must be appropriate for the size of the family under the PHA's subsidy standards.
7. If a contract unit was occupied by an eligible family at the time the unit was selected by the PHA, or is so occupied on the effective date of the HAP contract, the owner must offer the family the opportunity to lease the same or another appropriately-sized contract unit with assistance under the HAP contract.
8. The owner is responsible for screening and selecting tenants from the families referred by the PHA from its waiting list.

b. Vacancies

1. The owner must promptly notify the PHA of any vacancy in a contract unit. After receiving the owner notice, the PHA shall make every reasonable effort to refer a sufficient number of families for owner to fill the vacancy.
2. The owner must rent vacant contract units to eligible families on the PHA waiting list referred by the PHA.
3. The PHA and the owner must make reasonable, good faith efforts to minimize the likelihood and length of any vacancy.
4. If any contract units have been vacant for a period of 120 or more days since owner notice of vacancy (and notwithstanding the reasonable, good faith efforts of the PHA to fill such vacancies), the PHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (by number of bedrooms) that have been vacant for such period.

10. TENANCY

a. Lease

The lease between the owner and each assisted family must be in accordance with HUD requirements. In all cases, the lease must include the HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

b. Termination of tenancy

**Project-Based Voucher Program
HAP Contract for Existing Housing**

Previous editions are obsolete

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1. The owner may terminate a tenancy only in accordance with the lease and HUD requirements.
2. The owner must give the PHA a copy of any owner eviction notice to the tenant at the same time that the owner gives notice to the tenant. Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used to commence an eviction action under State or local law.

c. Family payment

1. The portion of the monthly rent to owner payable by the family (“tenant rent”) will be determined by the PHA in accordance with HUD requirements. The amount of the tenant rent is subject to change during the term of the HAP contract. Any changes in the amount of the tenant rent will be effective on the date stated in a notice by the PHA to the family and the owner.
2. The amount of the tenant rent as determined by the PHA is the maximum amount the owner may charge the family for rent of a contract unit, including all housing services, maintenance and utilities to be provided by the owner in accordance with the HAP contract and the lease.
3. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the PHA. The owner must immediately return any excess rent payment to the tenant.
4. The family is not responsible for payment of the portion of the contract rent covered by the housing assistance payment under the HAP contract. The owner may not terminate the tenancy of an assisted family for nonpayment of the PHA housing assistance payment.
5. The PHA is responsible only for making the housing assistance payments to the owner on behalf of the family in accordance with the HAP contract. The PHA is not responsible for paying the tenant rent, or any other claim by the owner.

d. Other owner charges

1. Except as provided in paragraph 2, the owner may not require the tenant or family members to pay charges for meals or supportive services. Nonpayment of such charges is not grounds for termination of tenancy.
2. In assisted living developments receiving project-based voucher assistance, owners may charge tenants, family members, or both for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of reasonable rent. Non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.
3. The owner may not charge the tenant or family members extra amounts for items customarily included in rent in the locality or provided at no additional cost to the unsubsidized tenant in the premises.

e. Security deposit

1. The owner may collect a security deposit from the family.
2. The owner must comply with HUD and PHA requirements, which may change from time to time, regarding security deposits from a tenant.
3. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted families.
4. When the family moves out of the contract unit, the owner, subject to State and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit or other amounts which the family owes under the lease. The owner must give the family a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used as reimbursement to the owner, the owner must promptly refund the full amount of the balance to the family.
5. If the security deposit is not sufficient to cover amounts the family owes under the lease, the owner may seek to collect the balance from the family. However, the PHA has no liability or responsibility for payment of any amount owed by the family to

the owner.

11. FAMILY RIGHT TO MOVE

- a. The family may terminate its lease at any time after the first year of occupancy. The family must give the owner advance written notice of intent to vacate (with a copy to the PHA) in accordance with the lease. If the family has elected to terminate the lease in this manner, the PHA must offer the family the opportunity for tenant-based rental assistance in accordance with HUD requirements.
- b. Before providing notice to terminate the lease under paragraph a, the family must first contact the PHA to request tenant-based rental assistance if the family wishes to move with continued assistance. If tenant-based rental assistance is not immediately available upon lease termination, the PHA shall give the family priority to receive the next available opportunity for tenant-based rental assistance.

12. OVERCROWDED, UNDER-OCCUPIED, AND ACCESSIBLE UNITS

The PHA subsidy standards determine the appropriate unit size for the family size and composition. The PHA and owner must comply with the requirements in 24 CFR 983.260. If the PHA determines that a family is occupying a wrong-size unit, or a unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, the PHA must promptly notify the family and the owner of this determination, and of the PHA's offer of continued assistance in another unit. 24 CFR 983.260(a).

13. PROHIBITION OF DISCRIMINATION

- a. The owner may not refuse to lease contract units to, or otherwise discriminate against any person or family in leasing of a contract unit, because of race, color, religion, sex (including sexual orientation and gender identity), national origin, disability, age or familial status.
- b. The owner must comply with the following requirements: The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 *et seq.*; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing

regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.*; 28 CFR part 35; Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966-1970 Comp., p. 684; 3 CFR, 1966-1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971-1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise).

- c. The owner must comply with HUD's Equal Access to HUD-assisted or -insured housing rule (24 CFR 5.105(a)(2)).
- d. The owner must comply with the Violence Against Women Act, as amended, and HUD's implementing regulation at 24 CFR part 5, Subpart L, and program regulations.
- e. The PHA and the owner must cooperate with HUD in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and all related rules and regulations.

14. PHA DEFAULT AND HUD REMEDIES

If HUD determines that the PHA has failed to comply with the HAP contract, or has failed to take appropriate action to HUD's satisfaction or as directed by HUD, for enforcement of the PHA's rights under the HAP contract, HUD may assume the PHA's rights and obligations under the HAP contract, and may perform the obligations and enforce the rights of the PHA under the HAP contract.

15. OWNER DEFAULT AND PHA REMEDIES

a. Owner default

Any of the following is a default by the owner under the HAP contract:

- 1. The owner has failed to comply with any obligation under the HAP contract, including the owner's obligations to maintain all contract

units in accordance with the housing quality standards.

2. The owner has violated any obligation under any other housing assistance payments contract under Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).
3. The owner has committed any fraud or made any false statement to the PHA or HUD in connection with the HAP contract.
4. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing assistance program.
5. If the property where the contract units are located is subject to a lien or security interest securing a HUD loan or a mortgage insured by HUD and:
 - a. The owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement; or
 - b. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with the HUD loan or HUD-insured mortgage.
6. The owner has engaged in any drug-related criminal activity or any violent criminal activity.

b. PHA remedies

1. If the PHA determines that a breach has occurred, the PHA may exercise any of its rights or remedies under the HAP contract.
2. The PHA must notify the owner in writing of such determination. The notice by the PHA to the owner may require the owner to take corrective action (as verified by the PHA) by a time prescribed in the notice.
3. The PHA's rights and remedies under the HAP contract include recovery of overpayments, termination or reduction of housing assistance payments, and termination of the HAP contract.

c. PHA remedy is not waived

The PHA's exercise or non-exercise of any remedy for owner breach of the HAP contract is not a waiver of the right to exercise that remedy or any other right or remedy at any time.

16. OWNER DUTY TO PROVIDE INFORMATION AND ACCESS REQUIRED BY HUD OR PHA

a. Required information

The owner must prepare and furnish any information pertinent to the HAP contract as may reasonably be required from time to time by the PHA or HUD. The owner shall furnish such information in the form and manner required by the PHA or HUD.

b. PHA and HUD access to premises

The owner must permit the PHA or HUD or any of their authorized representatives to have access to the premises during normal business hours and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the owner to the extent necessary to determine compliance with the HAP contract, including the verification of information pertinent to the housing assistance payments or the HAP contract.

17. PHA AND OWNER RELATION TO THIRD PARTIES

a. Injury because of owner action or failure to act

The PHA has no responsibility for or liability to any person injured as a result of the owner's action or failure to act in connection with the implementation of the HAP contract, or as a result of any other action or failure to act by the owner.

b. Legal relationship

The owner is not the agent of the PHA. The HAP contract does not create or affect any relationship between the PHA and any lender to the owner or any suppliers, employees, contractors or subcontractors used by the owner in connection with the implementation of the HAP contract.

c. Exclusion of third-party claims

Nothing in the HAP contract shall be construed as creating any right of a family or other third party (other than HUD) to enforce any provision of the HAP contract, or to assert any claim against HUD, the PHA or the

owner under the HAP contract.

d. Exclusion of owner claims against HUD

Nothing in the HAP contract shall be construed as creating any right of the owner to assert any claim against HUD.

18. PHA-OWNED UNITS

Notwithstanding Section 17 of this HAP contract, a PHA may own units assisted under the project-based voucher program, subject to the special requirements in 24 CFR 983.59 regarding PHA-owned units.

19. CONFLICT OF INTEREST

a. Interest of members, officers, or employees of PHA, members of local governing body, or other public officials

1. No present or former member or officer of the PHA (except tenant-commissioners), no employee of the PHA who formulates policy or influences decisions with respect to the housing choice voucher program or project-based voucher program, and no public official or member of a governing body or State or local legislator who exercises functions or responsibilities with respect to these programs, shall have any direct or indirect interest, during his or her tenure or for one year thereafter, or in the HAP contract.
2. HUD may waive this provision for good cause.

b. Disclosure

The owner has disclosed to the PHA any interest that would be a violation of the HAP contract. The owner must fully and promptly update such disclosures.

c. Interest of member of or delegate to 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 HAP Contract or to any benefits arising from the contract.

20. EXCLUSION FROM FEDERAL PROGRAMS

a. Federal requirements

The owner must comply with and is subject to requirements of 2 CFR part 2424.

b. Disclosure

The owner certifies that:

1. The owner has disclosed to the PHA the identity of the owner and any principal or interested party.
2. Neither the owner nor any principal or interested party is listed on the U.S. General Services Administration list of parties excluded from Federal procurement and non-procurement programs; and none of such parties are debarred, suspended, subject to a limited denial of participation or otherwise excluded under 2 CFR part 2424.

21. TRANSFER OF THE CONTRACT OR PROPERTY

a. When consent is required

1. The owner agrees that neither the HAP contract nor the property may be transferred without the advance written consent of the PHA in accordance with HUD requirements.
2. “Transfer” includes:
 - i. Any sale or assignment or other transfer of ownership, in any form, of the HAP contract or the property;
 - ii. The transfer of any right to receive housing assistance payments that may be payable pursuant to the HAP contract;
 - iii. The creation of a security interest in the HAP contract or the property;
 - iv. Foreclosure or other execution on a security interest; or
 - v. A creditor’s lien, or transfer in bankruptcy.
3. If the owner is a corporation, partnership, trust or joint venture, the owner is not required to obtain advance consent of the PHA

pursuant to paragraph a for transfer of a passive and non-controlling interest in the ownership entity (such as a stock transfer or transfer of the interest of a limited partner), if any interests so transferred cumulatively represent less than half the beneficial interest in the HAP contract or the property. The owner must obtain advance consent pursuant to paragraph a for transfer of any interest of a general partner.

b. Transferee assumption of HAP contract

No transferee (including the holder of a security interest, the security holder's transferee or successor in interest, or the transferee upon exercise of a security interest) shall have any right to receive any payment of housing assistance payments pursuant to the HAP contract, or to exercise any rights or remedies under the HAP contract, unless the PHA has consented in advance, in writing to such transfer, and the transferee has agreed in writing, in a form acceptable to the PHA in accordance with HUD requirements, to assume the obligations of the owner under the HAP contract, and to comply with all the terms of the HAP contract.

c. Effect of consent to transfer

1. The creation or transfer of any security interest in the HAP contract is limited to amounts payable under the HAP contract in accordance with the terms of the HAP contract.
2. The PHA's consent to transfer of the HAP contract or the property does not to change the terms of the HAP contract in any way, and does not change the rights or obligations of the PHA or the owner under the HAP contract.
3. The PHA's consent to transfer of the HAP contract or the property to any transferee does not constitute consent to any further transfers of the HAP contract or the property, including further transfers to any successors or assigns of an approved transferee.

d. When transfer is prohibited

The PHA will not consent to the transfer if any transferee, or any principal or interested party is debarred, suspended subject to a limited denial of participation, or otherwise excluded under 2 CFR part 2424, or is listed on the U.S. General Services Administration list of parties excluded from Federal procurement or non-procurement programs.

22. SUBSIDY LAYERING

A subsidy layering review is not required for existing housing projects.

23. OWNER LOBBYING CERTIFICATIONS

- a. The owner certifies, to the best of owner's knowledge and belief, that:
 - 1. No Federally appropriated funds have been paid or will be paid, by or on behalf of the owner, to 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 the awarding of the HAP contract, or the extension, continuation, renewal, amendment, or modification of the HAP contract.
 - 2. If any funds other than Federally appropriated funds have been paid or will be paid to 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 the HAP contract, the owner must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- b. This certification by the owner is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352.

24. TERMINATION OF HAP CONTRACT FOR WRONGFUL SELECTION OF CONTRACT UNITS

The HAP contract may be terminated upon at least 30 days notice to the owner by the PHA or HUD if the PHA or HUD determines that the contract units were not eligible for selection in conformity with HUD requirements.

25. NOTICES AND OWNER CERTIFICATIONS

- a. Where the owner is required to give any notice to the PHA pursuant to the HAP contract or any other provision of law, such notice must be in writing and must be given in the form and manner required by the PHA.
- b. Any certification or warranty by the owner pursuant to the HAP contract shall be deemed a material representation of fact upon which reliance was placed when this transaction was made or entered into.

26. NOTICE OF TERMINATION OR EXPIRATION WITHOUT

**Project-Based Voucher Program
HAP Contract for Existing Housing**

Previous editions are obsolete

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EXTENSION

- a. An owner must provide notice to the PHA, and to the affected tenants, not less than 1 year prior to the termination or expiration without extension of a HAP contract.
- b. An owner who fails to provide such notice must permit tenants to remain in their units for the required notice period with no increase in the tenant portion of the rent. During this time period, an owner may not evict a tenant as a result of the owner's inability to collect an increased tenant portion of rent. With PHA agreement, an owner may extend the terminating contract for a period of time sufficient to give tenants 1 year advance notice.

27. FAMILY'S RIGHT TO REMAIN

Upon termination or expiration of the contract without extension, each family assisted under the contract may elect to use its assistance to remain in the project if the family's unit complies with the inspection requirements under section 8(o)(8) (42 U.S.C. 1437f(o)(8) of the U.S. Housing Act of 1937 ("the 1937 Act")), the rent for the unit is reasonable as required by section 8(o)(10)(A) of the 1937 Act, and the family pays its required share of the rent and the amount, if any, by which the unit rent (including the amount allowed for tenant-paid utilities) exceeds the applicable payment standard.

28. ENTIRE AGREEMENT; INTERPRETATION

- a. The HAP contract, including the exhibits, is the entire agreement between the PHA and the owner.
- b. The HAP contract must be interpreted and implemented in accordance with all statutory requirements, and with all HUD requirements, including amendments or changes in HUD requirements during the term of the HAP contract. The owner agrees to comply with all such laws and HUD requirements. Any regulatory citation specifically included in this HAP contract is subject to any subsequent revision of such citation.

EXHIBIT A**TOTAL NUMBER OF UNITS IN PROJECT COVERED BY THIS HAP CONTRACT;
INITIAL RENT TO OWNER; AND DESCRIPTION OF CONTRACT UNITS**

A total of 144 units are within the property identified in this HAP Contract, of which 70 units are covered by this HAP Contract.

Development: Sunset Pointe
Address: 501 East Virginia Way
City, State, Zip: Barstow, CA 92311
Assessor's Parcel No. 0183-141-01-0000

The contract units are floating units as follows:

Bedroom Size	# of Units	Contract Rent*
1	17	\$1,175
2	37	\$1,450
3	16	\$1,650

*Contract rents are those in effect on March 1, 2025

EXHIBIT B

**SERVICES, MAINTENANCE AND EQUIPMENT TO BE PROVIDED BY THE OWNER WITHOUT
CHARGES IN ADDITION TO RENT TO OWNER**

Unit amenities:

- Stove
- Dishwasher
- Patio/balcony
- Central heating and air

Community amenities:

- Pool
- Laundry rooms
- Playground
- Solar
- On-site maintenance
- Gated

EXHIBIT C

UTILITIES AVAILABLE IN THE CONTRACT UNITS, INCLUDING A LISTING OF UTILITY SERVICES TO BE PAID BY THE OWNER (WITHOUT CHARGES IN ADDITION TO RENT TO OWNER) AND UTILITIES TO BE PAID BY THE TENANTS

Utilities to be Paid by the Owner Without Charges in Addition to the Rent to Owner:

- Water Heating (Gas)
- Water
- Sewer
- Trash

Utilities to be Paid by the Tenants:

- Cooking (gas)
- Heating (gas)
- Other Electric
- Refrigerator

EXHIBIT D

**FEATURES TO BE PROVIDED TO COMPLY WITH PROGRAM ACCESSIBILITY FEATURES OF
SECTION 504 OF THE REHABILITATION ACT OF 1973**

- Path of travel, handicap parking spaces
- Van accessible parking
- Laundry facility equipped with accessible washer and dryer
- Mobility accessible mailboxes
- Mobility accessible office
- Mobility accessible trash enclosures

Unit #139 has the following mobility accessible features:

- Lower counters
- Wider doors
- Open shower (no bathtub)

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

January 13, 2026

FROM

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

SUBJECT

Increase Purchase Orders for HD Supply and Home Depot for Maintenance Supplies

RECOMMENDATION(S)

Approve an increase in appropriations for purchase orders with Home Depot U.S.A. Inc., and HD Supply Facilities Maintenance Ltd. for supplies through a cooperative agreement with U.S. Communities Government Purchasing Alliance in the amount of \$703,856.26 for an overall amount not to exceed \$3,193,690.26 through July 31, 2026.

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

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

The total amount not expected to exceed \$3,193,690.26 through the term ending July 31, 2026 which is funded by the Housing Authority of the County of San Bernardino's (HACSB) property operations budgets for FYE 2025 and 2026.

BACKGROUND INFORMATION

To maintain the Agency's housing units in good repair, HACSB utilizes a vendor agreement with Home Depot U.S.A., Inc. (Home Depot) and HD Supply Facilities Maintenance Ltd. (HD Supply) through the U.S. Communities Government Purchasing Alliance (U.S. Communities) Cooperative Procurement Agreement (Agreement) for the purchase of maintenance, repair, industrial, and operating supplies. These materials support routine and emergency repairs, building safety needs, preventative maintenance, and unit turnover activities.

U.S. Communities is a government purchasing cooperative that reduces the cost of goods and services by aggregating the purchasing power of public agencies nationwide and providing procurement resources and solutions to local and state government agencies, school districts, higher education, and nonprofits. Utilizing this system, HACSB is able to procure such goods and services more efficiently and effectively while receiving the best government pricing through the Agreement for which Home Depot and HD Supply are contracted vendors. When maintenance supplies are needed, HACSB utilizes purchase orders to obtain maintenance supplies through the contracted vendor's online purchasing system. The vendor then bills HACSB directly for the orders placed.

On August 10, 2021, the Board of Commissions of the Housing Authority of the County of San Bernardino approved Purchase Orders via this cooperative contract with Home Depot U.S.A., and HD Supply Facilities Maintenance Ltd., for a five-year period beginning August 8, 2021, through

Increase Purchase Orders for HD Supply and Home Depot for Maintenance Supplies
January 13, 2026

July 31, 2026, in the amount of \$2,489,834. Overall increases in supply costs have led to an increase in the annual amount spent over the past four years resulting in a need to increase the overall purchase order amounts needed through to July 31, 2026.

PROCUREMENT

Consistent with the requirements of 2 CFR §200.317 through §200.326 and the U.S. Department of Housing and Urban Development Procurement Handbook for Public Housing Agencies (issued March 2, 2007), a Housing Authority may enter into agreements with other governmental agencies or regional and national intergovernmental purchasing networks to obtain needed supplies or services, provided such agreements foster economy and efficiency.

The purchase of maintenance, repair, operating, and industrial supplies and other related products was competitively solicited by Maricopa County, Arizona, in accordance with its public purchasing rules and regulations and included language allowing for cooperative purchasing. U.S. Communities, now part of OMNIA Partners, utilized the solicitations to allow other agencies participate and enjoy the same pricing and terms. Each solicitation includes language permitting housing authorities to utilize cooperative procurement under existing contracts to secure the best overall government pricing. With no cost to participate and no minimum order requirements, housing authorities of any size can access the products, services, and solutions they need at volume discount prices.

ITEM ATTACHMENTS

Not Applicable

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on December 26, 2025.

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

January 13, 2026

FROM

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

SUBJECT

Increase Appropriations for On-Call Plumbing Services with Montgomery Plumbing, A-Advantage Plumbing, and Pro-Craft Construction

RECOMMENDATION(S)

1. Approve an increase in appropriations, effective January 14, 2026, for on-call plumbing services in the amount of \$350,977.00 split between three vendors not to exceed \$1,557,246.00.
2. Approve Amendment No. 2 to Contract PC1261, effective January 14, 2026, for on-call plumbing services with Montgomery Plumbing, A-Advantage Plumbing, and Pro-Craft Construction to exercise the second option year through March 7, 2027.
3. Authorize and direct the Executive Director to execute and deliver the contract amendment to Montgomery Plumbing, A-Advantage Plumbing, and Pro-Craft Construction and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.

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

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

The total amount for plumbing services not expected to exceed \$1,557,246.00 through March 7, 2027, which is funded by the Housing Authority of the County of San Bernardino's (HACSB) property operations budgets for FYE 2026 and 2027.

BACKGROUND INFORMATION

HACSB currently contracts with various trade contractors to supplement our internal maintenance department to maintain our affordable housing and administrative offices. HACSB currently has multiple offices in our affordable housing communities as well as administrative buildings. To ensure timely service to our customers, including affordable housing residents, HACSB currently contracts with professional plumbing companies. Approval of this item will provide continuous on-call plumbing services to our various offices across the county on an as-needed basis.

PROCUREMENT

On December 21, 2022, HACSB issued a Request for Proposal (RFP) PC1261 for On-call Plumbing Services, which resulted in the receipt of four proposals. Outreach efforts included email invitations to contractors and 250 vendor notifications through the agency's electronic bidding software, PlanetBids.com. The proposals were evaluated per the requirements of the Request for

Increase Appropriations for On-Call Plumbing Services with Montgomery Plumbing, A-Advantage Plumbing, and Pro-Craft Construction
January 13, 2026

Proposal (RFP) in which Montgomery Plumbing, A-Advantage Plumbing and Pro-Craft Construction had the best price, considered responsive, and determined best qualified to provide this service to HACSB.

On March 8, 2022, the Board of Commissioners of the Housing Authority of the County of San Bernardino approved appropriations for on call plumbing services with Montgomery Plumbing, A-Advantage Plumbing, and Pro-Craft Construction for a three-year period beginning March 9, 2022, through March 8, 2025, in the amount of \$1,206,269.

On March 9, 2025, Amendment No. 1 to contracts for On-Call Plumbing Services were executed to extend the contracts for the first option year through March 7, 2026.

The recommended appropriations increase of \$350,977.00 is to cover expenses for the second option year from March 7, 2026 through March 7, 2027.

ITEM ATTACHMENTS

- Contract–AMENDMENT #2 TO CONTRACT FOR PLUMBING SERVICES–A-Advantage Plumbing
- Contract–AMENDMENT #2 TO CONTRACT FOR PLUMBING SERVICES–Montgomery Plumbing
- Contract–AMENDMENT #2 TO CONTRACT FOR PLUMBING SERVICES–Pro-Craft Construction

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on December 26, 2025.



**AMENDMENT #2 TO CONTRACT FOR PLUMBING SERVICES
(PC1261)**

BETWEEN

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

and

A-ADVANTAGE PLUMBING

This Amendment No. 2 ("Second Amendment"), dated January 14, 2026 ("Effective Date"), to Agreement for Plumbing Services (PC1261), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, ("Authority") and A-Advantage Plumbing ("Contractor").

RECITALS

WHEREAS, the Authority and Contractor entered into that certain Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated March 8, 2022, relating to Plumbing Services ("Agreement") with a combined total price for all contractors providing plumbing services of \$1,226,269.00.

WHEREAS, the Authority and Contractor entered into that First Amendment to exercise the first option year and extend the term for an additional one (1) year through March 7, 2026.

WHEREAS, the Authority and Contractor now wish to enter into this Second Amendment to exercise the second option year and extend the term through March 7, 2027.

OPERATIVE PROVISIONS

NOW, THEREFORE, the foregoing Recitals being true and correct, and in consideration of the mutual covenants and obligations contained in this Second 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 exercise the second option year and extend the term for an additional one (1) year and expiring on March 7, 2027. Except as so amended, the other provisions of Article 3 shall remain unmodified and in full force and effect.

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

Section 3. 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 Second Amendment as provided herein. Each party represents and warrants to the other that the Agreement, as amended by this Second Amendment, is currently an effective, valid, and binding obligation.

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

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

Section 5. Authorization. The persons executing this Second 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 Second Amendment, such party is formally bound to the provisions of this Second Amendment, and (iv) the entering into this Second Amendment does not violate any provision of any other agreement to which said party is bound.

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IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and A-Advantage Plumbing hereby execute this Second Amendment.

A-Advantage Plumbing

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

By: _____

By: _____

Name: _____

Name: Maria Razo

Title: _____

Title: Executive Director

Date: _____

Date: _____

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**AMENDMENT #2 TO CONTRACT FOR PLUMBING SERVICES
(PC1261)**

BETWEEN

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

and

MONTGOMERY PLUMBING

This Amendment No. 2 ("Second Amendment"), dated January 14, 2026 ("Effective Date"), to Agreement for Plumbing Services (PC1261), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, ("Authority") and Montgomery Plumbing ("Contractor").

RECITALS

WHEREAS, the Authority and Contractor entered into that certain Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated March 8, 2022, relating to Plumbing Services ("Agreement") with a combined total price for all contractors providing plumbing services of \$1,226,269.00.

WHEREAS, the Authority and Contractor entered into that First Amendment to exercise the first option year and extend the term for an additional one (1) year through March 7, 2026.

WHEREAS, the Authority and Contractor now wish to enter into this Second Amendment to exercise the second option year and extend the term through March 7, 2027.

OPERATIVE PROVISIONS

NOW, THEREFORE, the foregoing Recitals being true and correct, and in consideration of the mutual covenants and obligations contained in this Second 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 exercise the second option year and extend the term for an additional one (1) year and expiring on March 7, 2027. Except as so amended, the other provisions of Article 3 shall remain unmodified and in full force and effect.

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

Section 3. 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 Second Amendment as provided herein. Each party represents and warrants to the other that the Agreement, as amended by this Second Amendment, is currently an effective, valid, and binding obligation.

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

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

Section 5. Authorization. The persons executing this Second 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 Second Amendment, such party is formally bound to the provisions of this Second Amendment, and (iv) the entering into this Second 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 Montgomery Plumbing hereby execute this Second Amendment.

Montgomery Plumbing

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

By: _____

By: _____

Name: _____

Name: Maria Razo

Title: _____

Title: Executive Director

Date: _____

Date: _____

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**AMENDMENT #2 TO CONTRACT FOR PLUMBING SERVICES
(PC1261)**

BETWEEN

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

and

PRO-CRAFT CONSTRUCTION

This Amendment No. 2 ("Second Amendment"), dated January 14, 2026 ("Effective Date"), to Agreement for Plumbing Services (PC1261), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, ("Authority") and Pro-Craft Construction ("Contractor").

RECITALS

WHEREAS, the Authority and Contractor entered into that certain Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated March 8, 2022, relating to Plumbing Services ("Agreement") with a combined total price for all contractors providing plumbing services of \$1,226,269.00.

WHEREAS, the Authority and Contractor entered into that First Amendment to exercise the first option year and extend the term for an additional one (1) year through March 7, 2026.

WHEREAS, the Authority and Contractor now wish to enter into this Second Amendment to exercise the second option year and extend the term through March 7, 2027.

OPERATIVE PROVISIONS

NOW, THEREFORE, the foregoing Recitals being true and correct, and in consideration of the mutual covenants and obligations contained in this Second 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 exercise the second option year and extend the term for an additional one (1) year and expiring on March 7, 2027. Except as so amended, the other provisions of Article 3 shall remain unmodified and in full force and effect.

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

Section 3. 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 Second Amendment as provided herein. Each party represents and warrants to the other that the Agreement, as amended by this Second Amendment, is currently an effective, valid, and binding obligation.

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

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

Section 5. Authorization. The persons executing this Second 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 Second Amendment, such party is formally bound to the provisions of this Second Amendment, and (iv) the entering into this Second Amendment does not violate any provision of any other agreement to which said party is bound.

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IN WITNESS WHEREOF, the Housing Authority of the County of San Bernardino and Pro-Craft Construction hereby execute this Second Amendment.

Pro-Craft Construction

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

By: _____

By: _____

Name: _____

Name: Maria Razo

Title: _____

Title: Executive Director

Date: _____

Date: _____

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

January 13, 2026

FROM

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

SUBJECT

Increase Appropriations for On-Call Architect Services with Albert Group Architects, Architerra Design Group, Onyx Architects, Inc., RRM Design Group, and Sillman Wright Architects

RECOMMENDATION(S)

1. Approve an increase in appropriations to Contract No. PC1277, effective January 14, 2026, for on-call architect services with Albert Group Architects, Architerra Design Group, Onyx Architects, Inc., RRM Design Group, and Sillman Wright Architects in the amount of \$500,000 for an overall amount not to exceed \$1,000,000 through July 31, 2027.
2. Authorize and direct the Executive Director to approve any non-substantive revisions necessary to complete the transaction.

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

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

The costs associated with these services are budgeted throughout real estate development projects at HACSB. The expenses are primarily going to be reimbursed through Capital Project Funding grants that were awarded to the agency. Other costs are to be funded by pre-development budgets established for each project and are accounted for in the Development Department's annual budget.

BACKGROUND INFORMATION

As various new construction and rehabilitation projects come up, HACSB requires the professional services of architect firms for various capital improvement projects within the existing portfolio as well as the continued redevelopment of our aging affordable housing stock. This work will require the professional services of architectural services firms. The professional services may include review of existing conditions, schematic design, design development, construction documents, construction procurement services, construction administration, and post completion/warranty. The recommended increase is to cover expenses primarily for services related to the development of the Arrowhead Grove Community Resource Center through redevelopment of the existing warehouse space. These costs are expected to be covered through the two federal Capital Funding Grants that were awarded to HACSB.

PROCUREMENT

The Procurement and Contracts Department previously released a Request for Qualifications (RFQ) PC1277 on March 23, 2022. Outreach efforts included invitations to nine vendors and posting on the agency's website, and to our eBidding platform, PlanetBids. Twelve proposals

Increase Appropriations for On-Call Architect Services with Albert Group Architects, Architerra Design Group, Onyx Architects, Inc., RRM Design Group, and Sillman Wright Architects
January 13, 2026

were received in response to the RFQ. The evaluations of qualifications were conducted in accordance with the proposal specifications, and it was determined that the top five ranked firms; Albert Group Architects, Architerra Design Group, Onyx Architects, Inc., RRM Design Group, and Sillman Wright Architects be awarded a contract for on-call architect services.

On July 12, 2022, the Board of Commissioners of the Housing Authority of the County of San Bernardino approved appropriations for on call architect services with Albert Group Architects, Architerra Design Group, Onyx Architects, Inc., RRM Design Group, and Sillman Wright Architects for a five-year period beginning August 1, 2022, through July 31, 2027, in the amount of \$500,000.

ITEM ATTACHMENTS

Not applicable

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on December 26, 2025.

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

January 13, 2026

FROM

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

SUBJECT

Contract Amendment with Hawkins Delafield & Wood, LLP for Legal Services - Development

RECOMMENDATION(S)

1. Approve Amendment No. 2 to Contract No. PC1345, effective January 14, 2026, for Legal Services - Development with Hawkins Delafield & Wood, LLP, increasing the compensation by \$75,000 for a total amount not-to-exceed \$150,000 through March 31, 2026.
2. Authorize and direct the Executive Director to execute and deliver the contract amendment to Hawkins Delafield & Wood, LLP and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.

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

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

This total contract amount is not expected to exceed \$150,000 and is funded by the agency's development department budget, which is included within the Housing Authority of the County of San Bernardino's (HACSB) approved budget and will be included in the budget for subsequent fiscal years.

BACKGROUND INFORMATION

HACSB requires the specialized services of this law firm as it has subject matter expertise in matters involving the federal government's Department of Housing and Urban Development (HUD). Specifically, this vendor is providing necessary legal opinions as it relates to the Restore-Rebuild (formerly known as Faircloth to RAD) application processes for the Arrowhead Grove Phase 4 and Valencia Grove Phase 2 development projects. Hawkins Delafield & Wood, LLP specializes in advisory and regulatory support related to HUD approvals, including guidance on complex affordable housing transactions as well as helping secure HUD approvals and resolve regulatory issues efficiently. Based upon anticipated legal services for the upcoming year, it is recommended that HACSB approve an appropriation to its legal services contract with Hawkins Delafield & Wood, LLP in the aggregate amount of \$75,000.

PROCUREMENT

A piggyback process was conducted to award and execute a contract with Hawkins Delafield and Wood, LLP. The City and County of San Francisco conducted an RFP on February 24, 2023, for several legal service specialties, including development. Four proposals were received in the

Contract Amendment with Hawkins Delafield & Wood, LLP for Legal Services - Development
January 13, 2026

areas of Development, Real Estate, and Construction Law, resulting in a contract award to Hawkins Delafield & Wood, LLP.

On April 1, 2024, HACSB executed a contract with Hawkins Delafield & Wood, LLP in the amount of \$75,000 for a one-year base beginning on April 1, 2024, through March 31, 2025, with an option to extend through May 15, 2026.

On April 1, 2025, HACSB exercised the first option year under Amendment No. 1 through March 31, 2026. No additional funds were required at that time. Additional funds are now needed to cover the legal costs associated with securing Restore-Rebuild vouchers.

ITEM ATTACHMENTS

- Contract – AMENDMENT #2 TO CONTRACT FOR LEGAL SERVICES-DEVELOPMENT

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on December 26, 2025.



**AMENDMENT #2 TO CONTRACT FOR LEGAL SERVICES - DEVELOPMENT
(PC1345)**

BETWEEN

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

And

HAWKINS DELAFIELD & WOOD, LLP

This Amendment No. 2 ("Second Amendment"), dated January 14, 2026 ("Effective Date"), to Agreement for Legal Services - Development (PC1345), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, ("Authority") and Hawkins Delafield & Wood, LLP ("Contractor").

RECITALS

WHEREAS, the Authority and Contractor entered into that certain Consulting, Services, and Non-Routine Maintenance Related Services Agreement (Non-Construction), dated April 1, 2024 relating to Legal Services - Development ("Agreement") with a total price of \$75,000.00;

WHEREAS, the Authority and Contractor entered into Amendment No. 1 to the Agreement to exercise the first option year through March 31, 2026.

WHEREAS, the Authority and Contractor now wish to enter into this Second Amendment to the Agreement to increase the contract by \$75,000 for a total amount not to exceed \$150,000 through March 31, 2026.

OPERATIVE PROVISIONS

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

Section 1. Article 4 of the Agreement, entitled "Price" is hereby amended to increase the compensation payable to Contractor for the provision of the Work 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 2. Continuing Effect of Agreement. Except as amended by this Second Amendment, all provisions of the Agreement, as amended, shall remain unchanged and in full force and effect. From and after the date of this Second Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by this Second Amendment.

Section 3. 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 Second Amendment as provided herein. Each party represents and warrants to the other that the Agreement, as amended by this Second Amendment, is currently an effective, valid, and binding obligation.

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

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

Section 5. Authorization. The persons executing this Second 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 Second Amendment, such party is formally bound to the provisions of this Second Amendment, and (iv) the entering into this Second 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 Hawkins Delafield & Wood, LLP hereby execute this Second Amendment.

HAWKINS DELAFIELD & WOOD, LLP

**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: January 14, 2026

Completion Date: March 31, 2026

Total Agreement Cost: Not to exceed \$150,000.00

Original Agreement Amount Not to Exceed	\$75,000.00
Net Change Orders Previously Approved	\$0.00
Net Change Order Previously Approved – Amendment #1	\$0.00
Net Change Order – Amendment #2	\$75,000.00
Agreement Value as Amended Not to Exceed	\$150,000.00

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

January 13, 2026

FROM

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

SUBJECT

Meeting Minutes for the Meeting Held on December 9, 2025

RECOMMENDATION(S)

Approve the meeting minutes for the regular meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on December 9, 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 December 9, 2025. The meeting minutes are attached for review and recommended approval by the Board.

ITEM ATTACHMENTS

- Attachment - Minutes for December 9, 2025 Meeting

PROCUREMENT

Not applicable

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on December 26, 2025.

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO
December 9, 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 3:00 p.m. on December 9, 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 at 3:01 p.m., and upon roll call, the following were present:

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

Also in attendance were Maria Razo, Executive Director; Rishad Mitha, Deputy Executive Director; Kristin Maithonis, Director of Housing Services; Nicole Beydler, Director of Policy and Communications; Jennifer Dawson, Director of Administrative Services; Jesse Diaz, Director of Business Services; Angie Lardapide, Procurement and Contracts Supervisor; John Moore, Director of Development; Garrett Dalton, Information Technology Manager; Daniel Romero, Resident Services Coordinator; Kristan Alferez, Self Sufficiency Specialist; Eduardo Martinez, Assistant Regional Manager; Renee Kangas, Senior Management Analyst; Shamira Shirley, Management Analyst; Robyn Soto, Temporary Executive Assistant and Sravika Pillarisetty, Policy Fellow.

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 December 9, 2025, agenda. There were none.

3) General Public Comment

Chair Cooper provided an opportunity for members of the public to address the Board of Commissioners. There were none.

4) Executive Director's Report

The Executive Director's Report was requested.

Executive Director, Maria Razo, provided the Executive Director's Report. Discussion amongst the Board of Commissioners took place regarding the Executive Director's Report for December 9, 2025.

5) Board Building Presentation

Discussion calendar item number 5, to receive the board building presentation for December 9, 2025, an overview of the Housing Authority of the County of San Bernardino's FY 2024-2025 agency-wide accomplishments, was requested.

Kristin Maithonis, Director of Housing Services; Nicole Beydler, Director of Policy and Communications; Jennifer Dawson, Director of Administrative Services; Jesse Diaz, Director of Business Services; Angie Lardapide, Procurement and Contracts Supervisor; John Moore, Director of Development; Garrett Dalton, Information Technology Manager; Daniel Romero, Resident Services Coordinator; Kristan Alferez, Self Sufficiency Specialist and Rishad Mitha, Deputy Executive Director all participated in the presentation to the Board.

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

6) Discussion of the Housing Authority of the County of San Bernardino's strategy regarding continued operation of the U.S Department of Housing and Urban Development Continuum of Care grants

Discussion calendar item number 6, to discuss the Housing Authority of the County of San Bernardino's strategy regarding continued operation of the U.S Department of Housing and Urban Development Continuum of Care grants took place.

This item did not require any vote or motion for approval.

At 4:19pm, Commissioner Thomas left the meeting.

7) Approval of a contract extension for the Project-Based Voucher Program Housing Assistance Payments Contract with Wall Avenue LLC for eight scattered site units for the Lanternwoods Continuum of Care program, for an additional five-year period from March 1, 2027 through February 29, 3032

Discussion calendar item number 7, to approve a contract extension for the Project-Based Voucher Program Housing Assistance Payments Contract with Wall Avenue LLC for eight scattered site units for the Lanternwoods Continuum of Care program, for an additional five-year period from March 1, 2027 through February 29, 3032 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 Khan

Nays

8) Approval of Amendment No. 5 to contract No. PC1252, effective February 1, 2026, with GovInvest (dba TrueComp) for Pension and Labor Cost Forecasting to increase the contract by \$19,975 for a total amount not-to-exceed \$114,925 and exercise the last option year through January 31, 2027. Included in this update is the addition of the dba, TrueComp

Discussion calendar item number 8, to approve Amendment No. 5 to contract No. PC1252, effective February 1, 2026, with GovInvest (dba TrueComp) for Pension and Labor Cost Forecasting to increase the contract by \$19,975 for a total amount not-to-exceed \$114,925 and exercise the last option year through January 31, 2027, was requested.

Commissioner Khan moved to approve discussion calendar item number 8, as recommended by staff 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 Khan

Nays

9, 10, and 11) Consent Calendar

Approval of the consent calendar including agenda items number 9-11 was requested.

Commissioner Miller moved to approve consent calendar agenda items number 9-11:

9) 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 November 13, 2025.

10) Approve and file agency-wide financial statements through August 2025.

11) Approve the expense of uncollectable vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of September 2025.

The motion was duly seconded by Commissioner MacDuff.

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

Ayes

Chair Cooper
Vice-Chair MacDuff
Commissioner Miller
Commissioner Khan

Nays

12 and 13) Closed Session

Legal Counsel to the Housing Authority announced that the Board of Commissioners would recess into closed session to discuss the items listed on the closed session portion of the agenda:

12) CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION Pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9 Name of case: Kavonne Babbitt, et al. v. Housing Authority of the County of San Bernardino (San Bernardino Superior Court Case No. CIVSB2424086) and

13) CONFERENCE WITH REAL PROPERTY NEGOTIATOR. Pursuant to Government Code Section 54956.8 Property: 15930 Nisqualli Rd, Victorville, CA 92395 Agency Negotiator: Rishad Mitha, Deputy Executive Director and Fred Galante, Legal Counsel Negotiating Parties: Aspen Real Estate Financial LLC.; Cray Carlson, CBRE Under Negotiation: Price and terms of potential acquisition.

The Board then recessed to closed session at 4:30 p.m.

Following closed session, Chair Cooper reconvened the open session, at which time, Legal Counsel provided the following report:

The Board adjourned out of closed session at 5:06 p.m. The Board met in closed session to discuss the matter of: CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION Pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9 Name of case: Kavonne Babbitt, et al. v. Housing Authority of the County of San Bernardino (San Bernardino Superior Court Case No. CIVSB2424086)

The Board received an update on the matter, provided direction and no further reportable action was taken.

The Board also met in closed session to discuss the matter of: CONFERENCE WITH REAL PROPERTY NEGOTIATOR. Pursuant to Government Code Section 54956.8 Property: 15930 Nisqualli Rd, Victorville, CA 92395 Agency Negotiator: Rishad Mitha, Deputy Executive Director and Fred Galante, Legal Counsel Negotiating Parties: Aspen Real Estate Financial LLC.; Cray Carlson, CBRE Under Negotiation: Price and terms of potential acquisition

The Board received information about the price and terms of this potential acquisition, provided direction and no further reportable action was taken.

There being no other business, Commissioner Miller motioned for the December 9, 2025, meeting to be adjourned, and which motion was duly seconded by Commissioner Khan. There being no objection to the call for adjournment, the meeting was adjourned by unanimous consent at 5:10 p.m.

Attest:

Secretary

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

January 13, 2026

FROM

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

SUBJECT

Agency-Wide Financial Statements Through September 2025

RECOMMENDATION(S)

Approve and file agency-wide financial statements through September 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 gain through September 2025 is \$12,189,470. The significant variances of the budget are as follows:

- The HCV program received \$15.8 million more in Housing Assistance Payment (HAP) funding when compared to the budgeted amount. This increase is primarily due to a significant growth in inbound portability leasing activity, where vouchers from other housing authorities are ported in and administered (and funded) by our agency, without corresponding 'absorptions', meaning we have not permanently taken over (absorbed) those vouchers into our own program baseline. As a result, these ported vouchers continue to be billed at the higher payment standards and costs of the originating agency rather than our lower local rates, leading to higher Housing Assistance Payments (HAP) expenditures. A draw from restricted HAP HUD held reserves was budgeted in the amount of \$8m for this fiscal year; however, we are currently not anticipating a need to draw any funds from restricted reserves.
- The HCV program experienced an increase in HAP expenses in the amount of \$5.9 million. 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.
- Based on the 2024 annual reconciliation performed by HUD, HACSB received \$6.5 million in HAP subsidy for the prior year. Per HUD's guideline, prior year funds are recognized as revenue when received. This is contrary to Generally Accepted Accounting Principles (GAPP) but is acceptable and an allowable practice for all housing authorities.
- The tenant income was \$4.4 million higher than the budgeted amount, mostly due to an increase in rental income. This rental income increase is due to rent increases in the authority owned portfolio and the percentage of tenant income change in the Housing Choice Voucher program.

- Physical needs work was \$2 million less than budgeted. This amount is reflected in the extraordinary maintenance line on the financial statements, and the variance is due to some projects not commencing due to staff shortages. Health and Safety items continue to get priority attention.
- Depreciation expenses are not budgeted and amount to \$4.6 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 required under GAAP as they affect an agency's financial statements without impacting 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 2026 for FY 2025.

Financial Summary	FY 2025 YTD
Revenues	\$270,307,714
Expenses	\$(253,500,627)
Operating Net Income/(Loss)	\$16,807,087
Operating Transfers/Non-Operating Items	\$(4,617,617)
Net Income/(Loss)	\$12,189,470

BACKGROUND INFORMATION

HACSB is the largest provider of affordable housing in San Bernardino County, administering multiple housing programs, including the Housing Choice Voucher (HCV) program and owns and operates a multi-family portfolio. The HCV program provides tenant-based subsidies, enabling low-income families to afford safe, quality housing in the private market, complementing our portfolio of physical units. The FFY 2024-25 budget and financial operations align with HACSB's vision, mission, Strategic Plan, and MTW Annual Plans, supporting affordable housing and community development across the county. 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 9.2025

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on December 26, 2025.

HACSB Budget Comparison

Period = Oct 2024-Sep 2025

	YTD Actual	YTD Budget	Variance	% Var	Annual
INCOME					
TENANT INCOME					
Total Rental Income	37,802,150	33,745,895	4,056,255	12.02	33,745,895
Total Other Tenant Income	933,547	595,147	338,400	56.86	595,147
NET TENANT INCOME	38,735,697	34,341,043	4,394,655	12.80	34,341,043
GRANT INCOME					
TOTAL GRANT INCOME	222,369,548	196,976,041	25,393,507	12.89	196,976,041
OTHER INCOME					
TOTAL OTHER INCOME	9,202,469	9,007,913	194,556	2.16	9,007,913
TOTAL INCOME	270,307,714	240,324,996	29,982,718	12.48	240,324,996
EXPENSES					
GRANT EXPENSES					
TOTAL GRANT EXPENSES	11,592,302	10,044,842	-1,547,460	-15.41	10,044,842
ADMINISTRATIVE					
Total Administrative Salaries	17,771,594	18,659,130	887,536	4.76	18,659,130
Total Legal Expense	590,041	648,657	58,616	9.04	648,657
Total Other Admin Expenses	8,597,623	8,444,201	-153,422	-1.82	8,444,201
Total Miscellaneous Admin Expenses	2,479,828	3,097,127	617,299	19.93	3,097,127
TOTAL ADMINISTRATIVE EXPENSES	29,439,087	30,849,115	1,410,029	4.57	30,849,115
TENANT SERVICES					
TOTAL TENANT SERVICES EXPENSES	92,029	179,867	87,838	48.84	179,867
UTILITIES					
TOTAL UTILITY EXPENSES	5,100,647	4,839,943	-260,703	-5.39	4,839,943
MAINTENANCE AND OPERATIONS					
Total General Maint Expense	4,358,338	3,982,483	-375,855	-9.44	3,982,483
Total Materials	1,516,203	1,152,934	-363,269	-31.51	1,152,934
Total Contract Costs	5,366,629	4,558,556	-808,072	-17.73	4,558,556
TOTAL MAINTENANCE EXPENSES	11,241,169	9,693,972	-1,547,197	-15.96	9,693,972
GENERAL EXPENSES					
TOTAL GENERAL EXPENSES	3,321,902	2,394,281	-927,621	-38.74	2,394,281
EXTRAORDINARY MAINTENANCE EXPENSES					
TOTAL EXTRAORDINARY MAINTENANCE EXPENSES	4,545,530	6,583,396	2,037,866	30.95	6,583,396
HOUSING ASSISTANCE PAYMENTS					
TOTAL HOUSING ASSISTANCE PAYMENTS	186,025,167	180,156,007	-5,869,160	-3.26	180,156,007
FINANCING EXPENSE					
TOTAL FINANCING EXPENSES	2,142,795	2,087,990	-54,805	-2.62	2,087,990
TOTAL OPERATING EXPENSES	253,500,627	246,829,414	-6,671,213	-2.70	246,829,414
OPERATING NET INCOME	16,807,087	-6,504,418	23,311,506	358.39	-6,504,418
NET OPERATING TRANSFER IN/OUT	0	0	0	N/A	0
NON-OPERATING ITEMS					
TOTAL NON-OPERATING ITEMS	4,617,617	0	-4,617,617	N/A	0
NET INCOME	12,189,470	-6,504,418	18,693,889	287.40	-6,504,418

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

January 13, 2026

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 October 2025

RECOMMENDATION(S)

Approve the expense of vacated tenant accounts that have been determined to be uncollectable for the Authority Owned Portfolio to be written off as collection losses for the month of October 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 October 31, 2025, is \$77,299.63. 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.

SUMMARY FOR HACSB- Authority Owned Properties

PROPERTY	NO. VACATED	TOTAL
407 - Sunset Pointe	3	14,669.00
408 - Sunrise Vista	3	8,531.00
409 - Andalusia	1	2,343.00
410 - Merrill	1	782.00
414 - Redwood	1	135.00
418 - Grandview	1	1,241.00
428 - Charlemagne	1	5,481.00
467 - Hillcrest	1	452.00
481 - Waterman Gardens	1	583.00
Maplewood - 481130	2	10,711.00
481161-Colton	1	18.00
481172 Bighorn	2	5,940.44
481170 7th St	1	2,181.00
Concessions Write Off	0	-
TOTAL RENT WRITE OFF	19	53,067.44
Miscellaneous Charges		3,421.11
Maintenance Charges		24,732.72
Legal Charges		15,005.36
Security Deposits Applied		(18,927.00)
NET TOTAL WRITE OFF		77,299.63

Vacated Tenant Accounts for the Authority Owned Portfolio to be Written Off as Collection Loss
for the Month of October 2025
January 13, 2026

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 (October 1 – October 31, 2025) are primarily for voluntary move-outs and evictions.

PROCUREMENT

Not applicable

ITEM ATTACHMENTS

- Attachment – Collection Write-Offs – Authority Owned Portfolio

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on December 26, 2025.

Housing Authority County of San Bernardino

Month End: 10/31/25

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Item #	Last Name	First Name	ID No.	REASON	RENT	RENT (*)	REVERSAL	MISC (*)	FEES	FEES	OWED	DEPOSIT	DUE
407 - Sunset Pointe													
1	D	I		E	1,129.00	5,537.00		519.00	1,495.00	-	7,551.00	800.00	6,751.00
2	S	P		E	1,092.00	5,132.00		150.00	2,116.00	1,238.36	8,636.36	675.00	7,961.36
3	C	C		E	1,200.00	4,000.00		75.00	6,271.25	1,500.00	11,846.25	1,200.00	10,646.25
TOTALS:					14,669.00	-	-	744.00	9,882.25	2,738.36	28,033.61	2,675.00	25,358.61

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	09/08/25	Posted	09/28/25	N/A	N/A		N/A	N/A	09/28/25
2	Notice to Pay or Quit	06/06/25	Posted	06/24/25	08/27/25	N		N/A	10/21/25	10/21/25
3	Notice to Pay or Quit	07/15/25	Posted	07/10/25	07/23/25	Y		09/11/25	10/14/25	10/14/25

408 - Sunrise Vista													
4	E	B				-	-	-	(121.42)	-	(121.42)	-	(121.42)
5	C	D				-	-	-	(257.00)	-	(257.00)	-	(257.00)
6	M	O		E	997.00	997.00		230.20	2,290.00	675.00	4,192.20	1,097.00	3,095.20
7	B	L		E	1,375.00	4,446.00		271.91	1,060.00	1,313.36	7,091.27	1,050.00	6,041.27
8	S	N		E	997.00	3,088.00		550.00	910.00	1,433.34	5,981.34	997.00	4,984.34
								-	-	-	-	-	-
TOTALS:					8,531.00	-	-	1,052.11	3,881.58	3,421.70	16,886.39	3,144.00	13,742.39

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	
4	Adjustment to previous month write off. Resident charged for doors and repairs in error. Once reversed, resident had a refund.										
5	Payment on bad debt										
6	Notice to Pay or Quit	09/08/25	Posted	09/11/25	09/15/25	N		N/A	N/A	09/30/25	
7	Notice to Pay or Quit	07/07/25	Posted	07/24/25	08/04/25	N		N/A	10/07/25	10/07/25	
8	Notice to Pay or Quit	07/07/25	Posted	07/24/25	07/24/25	N		N/A	10/03/25	10/03/25	

409 - Andalusia													
9	R	J		E	1,850.00	2,343.00		213.00	343.00	1,235.00	4,134.00	1,850.00	2,284.00
						-					-		-
TOTALS:					2,343.00	-	-	213.00	343.00	1,235.00	4,134.00	1,850.00	2,284.00

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	09/08/25	Posted	09/19/25	09/23/25	N		N/A	N/A	10/08/25

Housing Authority County of San Bernardino**COLLECTION WRITE-OFFS - Authority Owned Portfolio**

410 - Merrill													
10	K	C					-		(125.00)		(125.00)		(125.00)
11	L	D		V	1,664.00	782.00	-	50.00	230.00		1,062.00	600.00	462.00
						-	-				-		-
TOTALS:					782.00		-	50.00	105.00	-	937.00	600.00	337.00
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	Payment on bad debt												
11	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A	N/A		10/15/25		

414 - Redwood													
12	H	D		V	1,500.00	135.00	-	25.00	155.00		315.00	230.00	85.00
						-	-				-		-
TOTALS:					135.00		-	25.00	155.00	-	315.00	230.00	85.00
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	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A	N/A		10/16/25		

418 - Grandview													
13	R	R		V	1,968.00	1,241.00	-	159.00	404.00		1,804.00	300.00	1,504.00
						-	-				-		-
TOTALS:					1,241.00		-	159.00	404.00	-	1,804.00	300.00	1,504.00
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	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A	N/A		09/12/25		

428 - Charlemagne													
14	A	C		E	1,695.00	5,481.00		150.00	349.00	1,467.71	7,447.71	600.00	6,847.71
						-					-		-
TOTALS:					5,481.00		-	150.00	349.00	1,467.71	7,447.71	600.00	6,847.71
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
14	Notice to Pay or Quit	06/09/25	Posted	06/27/25	07/01/25	N		N/A	10/7/2025		10/07/25		

Housing Authority County of San Bernardino

Month End: 10/31/25

COLLECTION WRITE-OFFS - Authority Owned Portfolio

467 - Hillcrest													
15	G	A		V	990.00	452.00		50.00	514.50	95.00	1,111.50	400.00	711.50
						-					-		-
TOTALS:						452.00	-	50.00	514.50	95.00	1,111.50	400.00	711.50
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			
15	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A	N/A	09/30/25			

481 - Waterman Gardens													
16	R	E		V	1,507.00	229.00			2,401.39		2,630.39	1,362.00	1,268.39
17	D	M		E	779.00	354.00		478.00	195.00	787.50	1,814.50	742.00	1,072.50
TOTALS:					583.00		-	478.00	2,596.39	787.50	4,444.89	2,104.00	2,340.89
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
16	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A	N/A		10/08/25		
17	Notice to Pay or Quit	07/07/25	Posted	07/22/25	N/A						09/25/25		

Maplewood - 481130													
18	A	V		E	1,035.00	8,108.00		50.00	290.00	1,501.59	9,949.59	815.00	9,134.59
19	Y	Y		E	344.00	1,376.00		200.00	515.00	1,887.50	3,978.50	824.00	3,154.50
20	C	L		V	1,227.00	1,227.00		50.00	365.00		1,642.00	705.00	937.00
TOTALS:						10,711.00	-	300.00	1,170.00	3,389.09	15,570.09	2,344.00	13,226.09
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		
18	30-Notice Day	03/07/25	Posted	04/08/25	03/25/25	N		07/30/25	10/01/25		10/01/24		
19	30-Notice Day	07/08/25	Posted	08/11/25	08/26/25	Y		09/23/25	10/06/25		10/06/25		
20	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A	N/A		10/27/25		

481161-Colton													
21	D	C		V	525.00	18.00			1,411.00	-	1,429.00	1,000.00	429.00
										-			
TOTALS:						18.00		-	1,411.00	-	1,429.00	1,000.00	429.00
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		
21	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A	N/A		10/01/25		

Housing Authority County of San Bernardino

Month End: 10/31/25

COLLECTION WRITE-OFFS - Authority Owned Portfolio

481172 Bighorn													
22	C	L		S	1,109.00	2,621.00			1,606.00	-	4,227.00	1,512.00	2,715.00
23	O	J		E	1,587.00	3,319.44		150.00	600.00	925.00	4,994.44	1,294.00	3,700.44
										-			
										-			
TOTALS:						5,940.44	-	150.00	2,206.00	925.00	9,221.44	2,806.00	6,415.44
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
22	Notice to Pay or Quit	10/06/25	10/06/25	N/A	N/A	N/A		N/A	N/A		10/23/25		
23	Notice to Pay or Quit	07/07/25	07/07/25	08/14/25	08/20/25	N		N/A	N/A		10/21/25		

481170 7th St													
24	S	R		E	921.00	2,181.00		50.00	1,715.00	946.00	4,892.00	874.00	4,018.00
										-	-		
										-	-		-
TOTALS:						2,181.00	-	50.00	1,715.00	946.00	4,892.00	874.00	4,018.00
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		
24	Notice to Pay or Quit	05/06/25	05/06/25	06/30/25	07/23/25	N		09/01/25	09/30/25		09/30/25		

ALL PROPERTY TOTALS:					53,067.44	-	3,421.11	24,732.72	15,005.36	96,226.63	18,927.00	77,299.63
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Submitted by:

Date:

Reviewed by:

Date:

*Reasons:

E=Eviction

S=Skip

V=Voluntary T=Terminated Tenancy

**Unpaid Misc.: D=Deceased

Stipulated agreements for rent, maintenance charges, late charges, etc.