

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

TO BE HELD AT 715 EAST BRIER DRIVE
SAN BERNARDINO, CALIFORNIA
February 10, 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) Receive the Executive Director's Report for February 10, 2026.
(Page 1)
- 5) Receive the board building presentation for February 10, 2026, highlights from the Housing Authority of the County of San Bernardino's FY 2025 Moving to Work Annual Report.
(Page 2)
- 6) Approve Amendment No. 3 to Lease Agreement, effective February 24, 2026, between the Housing Authority of the County of San Bernardino and San Bernardino County Preschool Services Department for the Arrowhead Grove Head Start Facility.
(Pages 3-11)
- 7) Retroactively approve Agreement with San Bernardino County Preschool Services Department for temporary armed guard services for the Arrowhead Grove and Whitney Young Preschool sites from June 16, 2025 through January 31, 2026 for a total amount of \$192,292 (\$96,146 each site).
(Pages 12-18)
- 8) Ratify Amendments No. 10 and No. 11 to contract No. PC1203 back to June 16, 2025, with Intergraded Security Management Group for armed guard services increasing the current contract by \$192,292.00 for a total amount not to exceed \$901,153.00 through January 31, 2026.
(Pages 19-33)
- 9) Approve an extension of the Project-Based Voucher Program Housing Assistance

Payments Contract with HPI Property Acquisitions LLC for 47 units at Robert O. Townsend Apartments for a 15-year period from April 15, 2027, through April 14, 2042.
(Pages 34-68)

- 10) Approve a data use agreement, effective March 24, 2026, between the Housing Authority of the County of San Bernardino, Inland Empire Health Plan, San Bernardino County Department of Behavioral Health, Step Up on Second Street, Inc., and Inland Housing Solutions for the permanent supportive housing development, Golden Apartments, for a five-year term through October 31, 2030.
(Pages 69-101)
- 11) Approve a data use agreement, effective March 24, 2026, between the Housing Authority of the County of San Bernardino, Inland Empire Health Plan, San Bernardino County Department of Behavioral Health, Valley Star Behavioral Health, Inc., Step Up on Second Street, Inc., and Inland Housing Solutions for the permanent supportive housing development, Desert Haven Apartments, for a five-year term through October 31, 2030.
(Pages 102-134)

CONSENT CALENDAR

APPROVAL OF CONSENT ITEMS: 12-14

- 12) Approve the meeting minutes for the annual meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on January 13, 2026.
(Pages 135-141)
- 13) Approve and file agency-wide financial statements through October 2025.
(Pages 142-144)
- 14) Approve the expense of uncollectable vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of November 2025.
(Pages 145-149)
- 15) Individual Board member comments.
- 16) Adjourn.

This agenda contains a brief description of each item of business to be considered at the meeting. In accordance with the Ralph M. Brown Act, this meeting agenda is posted at least 72 hours prior to the regularly scheduled meeting at the Housing Authority of the County of San Bernardino (HACSB) Building located at 715 East Brier Drive, San Bernardino, California, 92408. The agenda and its supporting documents can be viewed online at <http://www.hacsb.com>. However, the online agenda may not include all available supporting documents or the most current version of documents.

If you challenge any decision regarding any of the above agenda items in court, you may be limited to raising only those issues you or someone else raised during the public testimony period regarding that agenda item or in written correspondence delivered to the Board of Commissioners at, or prior to, the public meeting.

It is the intention of the HACSB to comply with the Americans with Disabilities Act (ADA). If you require special assistance, HACSB will attempt to accommodate you in every reasonable manner. Please contact Cynthia Robinson at (909) 890-5388 at least 48 hours prior to the meeting to inform us of your particular needs.

HACSB ofrece asistencia idiomática gratis. Para ayuda con este documento, por favor llámenos al (909) 890-0644.

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

February 10, 2026

FROM

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

SUBJECT

Executive Director's Report for February 10, 2026

RECOMMENDATION(S)

Receive the Executive Director's Report for February 10, 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 January 21, 2026.

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

February 10, 2026

FROM

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

SUBJECT

Board Building Presentation for February 10, 2026

RECOMMENDATION(S)

Receive the board building presentation for February 10, 2026, highlights from the Housing Authority of the County of San Bernardino's FY 2025 Moving to Work Annual Report.
(Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

Approval of this item will not result in a financial impact to the Housing Authority of the County of San Bernardino (HACSB) as there is no financial impact associated with this item.

BACKGROUND INFORMATION

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

This month's board building presentation will include highlights from HACSB's FY 2025 MTW Annual Report.

PROCUREMENT

Not applicable

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 21, 2026.

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

February 10, 2026

FROM

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

SUBJECT

Amendment No. 3 to Lease Agreement with San Bernardino County Preschool Services Department for the Arrowhead Grove Head Start Facility

RECOMMENDATION(S)

1. Approve Amendment No. 3 to Lease Agreement, effective February 24, 2026, between the Housing Authority of the County of San Bernardino and San Bernardino County Preschool Services Department for the Arrowhead Grove Head Start Facility.
2. Authorize and direct the Executive Director to execute and deliver Amendment No. 3 to Lease Agreement to San Bernardino County and, upon consultation with Legal Counsel, approve any non-substantive revisions necessary to complete the transaction.

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

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

Amendment No. 3 will have minimal financial impact on the Housing Authority of the County of San Bernardino. San Bernardino County will directly fund all the predevelopment and development expenses associated with the tenant improvements for the additional building that they will occupy.

BACKGROUND INFORMATION

On July 9, 2019, the Board of Governors approved contract 19-470, between the Housing Authority of the County of San Bernardino (Authority) and San Bernardino County (County) for a five-year lease agreement for the Arrowhead Grove Head Start Facility for approximately 3,119 square feet for classroom, office and land. Located at the 1151 Crestview Avenue in San Bernardino (Premises) for use by the Preschool Services Department (PSD). The original term of the lease was for the period of July 1, 2019, to June 30, 2024. In the six years since the lease was originally approved, the Authority and County have continuously worked together to ensure PSD's presence remains at the Arrowhead Grove Head Start facility.

On January 26, 2021, Amendment No.1 was agreed upon and executed by the County and the Authority, to transfer the operating costs of landscaping to the County. The Authority still provided other maintenance services such as HVAC system repair, building envelope maintenance and parking lot maintenance. Landscaping services were removed from the contract and no other terms were changed.

Amendment No. 3 to Lease Agreement with San Bernardino County Preschool Services
Department for the Arrowhead Grove Head Start Facility
February 10, 2026

On July 1, 2024, an approved holdover clause was initiated while negotiations occurred for an extension of the lease agreement. Amendment No. 2 was executed on June 1, 2025. The amended lease agreement includes an increase to the total leased square footage (adding an additional building) and extending the existing term of the lease which expired on June 30, 2024, to May 31, 2040. The updated square footage is a total of 4,319 square feet, comprising approximately 3,119 square feet of Buildings A and B, and approximately 1,200 square feet of the added building located at 1163 North Crestview (Building C). Amendment No. 2 also allowed the County to update the premises to accommodate additional classroom amenities for County's educational needs and adjusted the monthly rental payments.

After continued negotiations, it was agreed upon by the County and the Authority that another amendment would be needed to further clarify the scope of the County's tenant improvements of Building C. Although there was an Addendum approved by our Board on 10/14/2025, the County refused to execute it as it included temporary armed guard security services that are now in a separate agreement. The Authority agreed to replace that Addendum with Amendment No. 3.

Upon approval of Amendment No. 3, it will allow the County to perform major construction work on Building C as part of PSD's improvements, such as the demolition and full renovation of the building. The improvements will be paid for and constructed by the County, which are subject to the Housing Authority's review and approval. All other lease terms remain unchanged.

PROCUREMENT

Not applicable

ITEM ATTACHMENTS

- Contract - San Bernardino County Contract Number 19-470 A3

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 28, 2026.



Contract Number

19-470 A3

SAP Number

Real Estate Services Department

Department Contract Representative	Terry W. Thompson, Director
Telephone Number	(909) 387-5000
Contractor	Housing Authority of the County of San Bernardino
Contractor Representative	Rishad Mitha
Telephone Number	909-332-6315
Contract Term	July 1, 2019 – May 31, 2040
Original Contract Amount	\$884,092.50
Amendment Amount	\$0
Total Contract Amount	\$884,092.50
Cost Center	7810001000
GRC/PROJ/JOB No.	5900 3952
Grant Number (if applicable)	

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, Housing Authority of the County of San Bernardino ("LANDLORD"), as landlord, and San Bernardino County ("COUNTY"), as tenant, entered into Lease Agreement, Contract No. 19-470 dated July 9, 2019, as amended by the First Amendment dated January 26, 2021, and as amended by the Second Amendment dated May 20, 2025 (collectively, the "Lease"), wherein the LANDLORD leases a total of approximately 4,319 square feet, comprising of approximately 3,119 square feet at 1151 North Crestview, Buildings A and B, and approximately 1,200 square feet at 1163 North Crestview in San Bernardino, as more specifically described in the Lease, to COUNTY for a term that expires on May 31, 2040, and;

WHEREAS, the COUNTY and LANDLORD now desire to amend the Lease to reflect the change in the scope of Tenant Improvements to reference the plan for the COUNTY to demolish and reconstruct the building at 1163 North Crestview Avenue in San Bernardino; and amend certain other terms of the Lease as set forth in this amendment (the "Third Amendment").

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

1. Effective February 24, 2026, DELETE the existing **Paragraph 14, ALTERATIONS AND IMPROVEMENTS** and SUBSTITUTE therefore the following **Paragraph 14, ALTERATIONS AND IMPROVEMENTS**

IMPROVEMENTS, and **EXHIBIT “J” TENANT IMPROVEMENTS** attached and incorporated herein, to read as follows:

14. **ALTERATIONS AND IMPROVEMENTS.**

A. The Parties hereby agree that **Paragraph 14, ALTERATIONS AND IMPROVEMENTS**, and **EXHIBIT “J” TENANT IMPROVEMENTS** attached and incorporated herein, shall include in the description of “Tenant Improvements” the option for COUNTY to fully demolish and reconstruct the building located at 1163 North Crestview in San Bernardino, encompassing the classroom facilities where the Tenant Improvements are intended to be performed. The improvements described in Exhibit “J” include a description of such demolition and reconstruction consistent with the amended version of Exhibit “J” attached to this Second Amendment.

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

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

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

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

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

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

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

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

I. Indemnification. COUNTY shall indemnify, defend (with counsel reasonably approved by LANDLORD), protect, and hold harmless LANDLORD and its officers, employees, agents, and volunteers and the Premises from any and all claims, actions, death of any person or any accident, injuries, losses, damages, judgments, costs, expenses, penalties, and/or liability, including, but not limited to, attorneys' and consultant's fees, arising out of or related to COUNTY'S demolition and construction of the Tenant Improvements, and operations at the Premises and the Building. COUNTY shall not be responsible for (and such indemnity shall not apply to) any acts, errors, or omissions arising out of the sole negligence of LANDLORD or its respective agents, servants, employees, or contractors. The COUNTY's obligations under this provision shall survive the expiration or early termination of the Lease. No termination, cancellation or release agreement entered into by COUNTY and LANDLORD shall release COUNTY from its obligations under the provisions of this indemnification and defense obligation. COUNTY's indemnity and defense obligation shall survive the expiration or earlier termination of the Lease.

J. Prevailing Wages. In connection with all work on the Premises, COUNTY shall comply with applicable prevailing wage laws under the California Labor Code, as further set forth in Exhibit "H", which requirements shall be revised to be made applicable to COUNTY as it relates to its demolition and reconstruction of the Tenant Improvements.

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

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

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

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

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

END OF THIRD AMENDMENT.

SAN BERNARDINO COUNTY

HOUSING AUTHORITY OF THE COUNTY
OF SAN BERNARDINO

►

Dawn Rowe, Chair, Board of Supervisors

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

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

Name Maria Razo

Title Executive Director

Lynna Monell
Clerk of the Board of Supervisors
San Bernardino County

By _____
Deputy

Dated: _____

Address 715 E. Brier Drive
San Bernardino, CA 92408

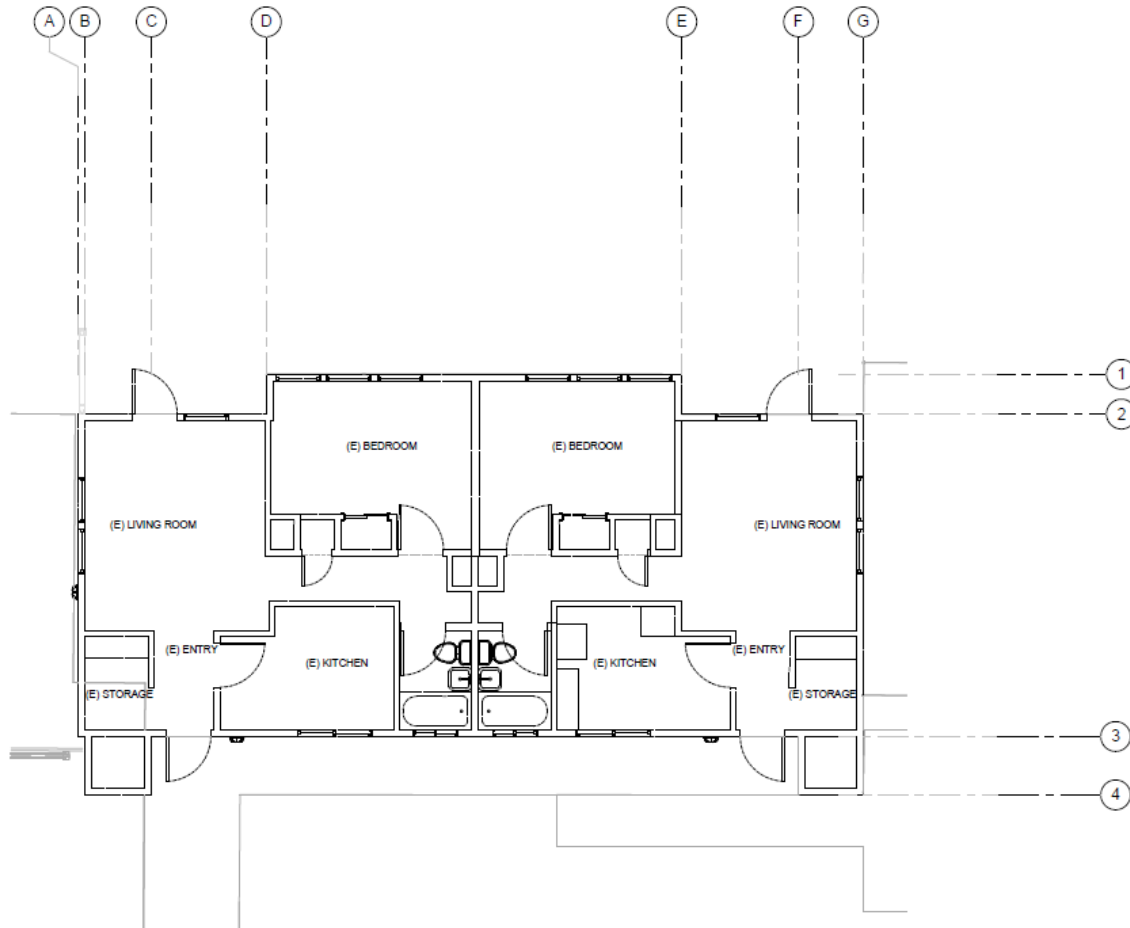
FOR COUNTY USE ONLY

Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
► John Tubbs II, Deputy County Counsel	► _____	► John Gomez, Real Property Manager, RESD
Date _____	Date _____	Date _____

EXHIBIT "J"

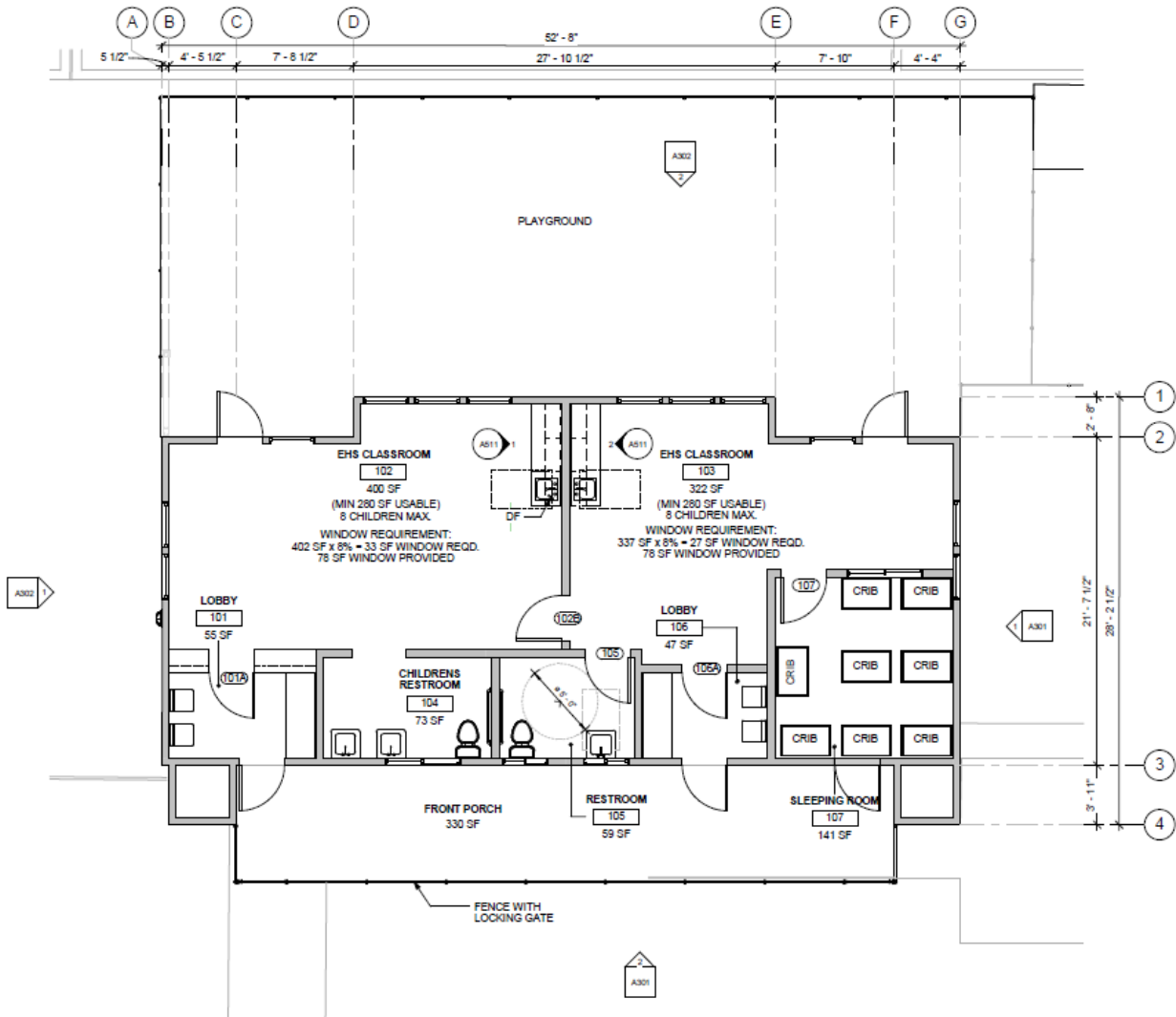
TENANT IMPROVEMENTS

Demolition and reconstruction of the existing +/- 1,200 square foot residence building at 1163 N Crestview Ave, San Bernardino. The new building will include two classrooms, one children's restroom, one adult restroom, a sleeping room and two lobby areas per the Head Start Design Guidelines. New construction will include metal and/or wood framing, electrical, mechanical, plumbing and fire / life safety systems to support the new preschool facility. Exterior improvements will include new accessible concrete walkways, security fencing, landscape & irrigation, and a new playground.



1 DEMOLITION FLOOR PLAN

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



1 PROPOSED FLOOR PLAN

A220 SCALE: 1/4" = 1'-0"

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

February 10, 2026

FROM

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

SUBJECT

Contract with San Bernardino County Preschool Services Department for Temporary Armed Guard Services at the Whitney Young Preschool and Arrowhead Grove Preschool Sites

RECOMMENDATION(S)

1. Retroactively approve Agreement with San Bernardino County Preschool Services Department for temporary armed guard services for the Arrowhead Grove and Whitney Young Preschool sites from June 16, 2025 through January 31, 2026 for a total amount of \$192,292 (\$96,146 each site).
2. Authorize and direct the Executive Director to execute and deliver the contract to San Bernardino County Preschool Services Department and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.
(Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

This action will result in no financial impact to the Housing Authority of the County of San Bernardino (HACSB). Payment for armed guard services has been paid by San Bernardino County Preschool Services Department (County PSD), and the Agency has received funds covering the full period of service through January 31, 2026. The total amount received for these services is \$192,292.00. As such, approval of this item does not require additional funding or impact Agency's current budget.

BACKGROUND INFORMATION

HACSB maintains an existing contract with Integrated Security Management Group (ISMG) to provide armed guard services at several of our properties. When County PSD requested temporary additional armed guard services at two of its preschool sites which are located on HACSB owned land, HACSB worked collaboratively to support that need. As a trusted public partner, we agreed to accept pre-payment for the temporary services to ensure continuity of safety and service. Providing responsive and reliable customer service to our community partners remains a priority for HACSB.

Making these security services available to County PSD for the Whitney Young Preschool site (1755 Maple St. San Bernardino, CA) was initially approved by the Board of Commissioners (Board) on October 14, 2025 as Addendum No. 1 to the Lease with County PSD for that site. However, County PSD subsequently informed HACSB staff that it would prefer to maintain a

Contract with San Bernardino County Preschool Services Department for Temporary Armed Guard Services at the Whitney Young Preschool and Arrowhead Grove Preschool Sites
February 10, 2026

separate agreement for the reimbursement to HACSB for the security services rather than make it as part of a revision to the Lease. As such, the approval of this Agreement with County PSD for temporary armed guard services replaces Addendum No. 1 previously approved by the Board and also includes the Arrowhead Grove Preschool site (1151 N. Crestview Ave. San Bernardino, CA).

Timeline of Events:

- On May 27, 2025, The Procurement and Contracts Dept. was notified that County PSD requested additional armed guard services for the Whitney Young and Arrowhead Grove sites, prepaid by their department, with services required to begin prior to June 30, 2025.
- Due to the urgent and sensitive nature of the request, and with approval from the Director of Business Services, Deputy Executive Director, and in consultation with the Executive Director, the armed guard services contract was amended to update the scope of services and not-to-exceed amount.
- Internal staff approval was given to return to the Board for contract ratification and coordinated with the Development Department to amend its Memorandum of Understanding with Preschool Services to include reimbursement language at a later date. An MOU addendum was drafted and submitted to the County for anticipated board consideration.
- Amendment #10 to the Armed Guard Services contract was drafted, reviewed, approved, and executed by all parties. Shortly after amendment execution, Preschool Services advised that expenditures could not exceed \$100,000 per site.
- Amendment #11 was subsequently drafted, reviewed, approved, and executed to adjust the service dates and reduce the overall contract amount by \$30,164.00.
- To accommodate the request, invoices were issued in the amount of \$96,146.00 per site, totaling \$192,292.00, covering the service period from June 23, 2025, through January 31, 2026.
- On September 17, 2025, County PSD notified HACSB that the MOU addendum did not proceed to their board as anticipated and recommended developing a separate agreement to address the temporary armed guard services.
- Following multiple discussions and a joint meeting, both agencies agreed to proceed with a temporary Memorandum of Understanding. The agreement was drafted by County PSD, reviewed by all parties—including HACSB legal counsel with minimal revisions—and approved for placement on the February 2026 Board agenda.

PROCUREMENT

No procurement was conducted as part of this agreement.

ITEM ATTACHMENTS

- Contract – CON-PSD – Security Services – Housing Authority (Final R1.1)

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 28, 2026.



Contract Number
25-362

SAP Number

Preschool Services Department

Department Contract Representative	<u>N. Michelle Petersen</u>
Telephone Number	<u>909-386-8369</u>
Contractor	<u>Housing Authority of San Bernardino County</u>
Contractor Representative	<u>Angie Lardapide</u>
Telephone Number	<u>909-332-6340</u>
Contract Term	<u>June 16, 2025, through January 31, 2026</u>
Original Contract Amount	<u>\$192,292</u>
Amendment Amount	<u>N/A</u>
Total Contract Amount	<u>\$192,292</u>
Cost Center	<u>5911012220</u>
Grant Number (if applicable)	<u>N/A</u>

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the Preschool Services Department, hereinafter referred to as “PSD,” desires armed security services for its facilities, Arrowhead Grove located at 1151 N. Crestview Street, San Bernardino CA 92410, and Whitney Young located at 1755 W. Maple Street, San Bernardino, CA 92411, which are located on Housing Authority of San Bernardino County properties; and

WHEREAS, PSD, finds The Housing Authority of San Bernardino County, hereinafter referred to as “HASBC” or “Partner” receptive to increasing its current armed security services at these two locations; and

NOW, THEREFORE, PSD and HASBC mutually agree to the following terms and conditions:

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A. PURPOSE

The purpose of this contract is to delineate the responsibilities of both parties as to providing the necessary security services to protect the properties in question against vandalism due to the current vacancy of the buildings, during the time PSD is in the process of construction and remodeling of the buildings.

B. PROGRAM OVERVIEW

PSD is currently in the process of remodeling the buildings located on HASBC property located at Arrowhead Grove, 1151 N. Crestview Street, San Bernardino CA 92410, and Whitney Young, 1755 W. Maple Street, San Bernardino, CA 92411. Since these buildings are vacant, they have been plagued with vandalism and to combat the destructiveness, increased contracted security services are required to provide the necessary protection to stop the vandalism.

C. MUTUAL POINTS OF AGREEMENT

1. HASBC agrees to increase its contracted security services at the designated locations.
2. HASBC will act as the liaison between PSD and the HASBC contracted security vendor.
3. PSD agrees to reimburse HASBC for the increased security services related to the designated locations.
4. Both parties to this Contract mutually covenant to perform all of their obligations hereunder, to exercise all discretion and rights granted hereunder, and to give all consents in a reasonable manner consistent with the standards of "good faith" and "fair dealing".
5. Nothing contained in this Contract shall be construed as creating a joint venture, partnership, or employment arrangement between the Parties hereto, nor shall either Party have the right, power or authority to create an obligation or duty, expressed or implied, on behalf of the other Party hereto.
6. In the performance of this Contract, HASBC, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of San Bernardino County.
7. Both parties to this contract reserve the right to terminate the Contract for its convenience, with or without cause, with a thirty (30) calendar day written notice of termination. Such termination may include all or part of the services described herein. Upon such termination, payment will be made to HASBC for services rendered by its contracted security services and expenses reasonably incurred prior to the effective date of termination. Upon receipt of termination notice HASBC shall promptly discontinue security services unless the notice directs otherwise.

D. TERM OF CONTRACT

1. This Contract is effective retroactively, as of June 16, 2025, and expires January 31, 2026, but may be terminated earlier in accordance with provisions of this Contract. The Contract term may be extended for one (1) additional year period by mutual agreement of the parties.

E. FISCAL PROVISIONS

1. The maximum amount of reimbursement under this Contract shall not exceed \$96,146 for each location, for a total contract amount of \$192,292. The consideration to be paid to HASBC, as provided herein, shall be in full payment for all HASBC's expenses incurred.
2. Invoices shall be issued with a net sixty (60) day payment term with corresponding SAP Contract and/or Purchase Order number stated on the invoice. Invoices shall be submitted to psdaccountspayable@psd.sbcounty.gov.

3. HASBC shall accept all payments from PSD via electronic funds transfer (EFT) directly deposited into HASBC's designated checking or other bank account. HASBC shall promptly comply with directions and accurately complete forms provided by PSD required to process EFT payments.
4. County is exempt from federal excise taxes and no payment shall be made for any personal property taxes levied on HASBC or on any taxes levied on employee wages. The County shall only pay for any state or local sales or use taxes on the services rendered or equipment and/or parts supplied to the County pursuant to the Contract.
5. Costs for services under the terms of this Contract shall be incurred during the contract period except as approved by County. HASBC shall not use current year funds to pay prior or future year obligations.

F. INDEMNIFICATION AND INSURANCE REQUIREMENTS

1. **Indemnification** – Each Party agrees to indemnify, defend (with counsel approved by the other (“Indemnatee”) and hold harmless the other and their authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Agreement, but only to the extent actually caused by the negligent acts, errors or omissions of the indemnifying Party and its authorized officers, employees, agents, and volunteers, and for any costs or expenses incurred by Indemnatee on account of any claim except where such indemnification is prohibited by law.

If the Parties are determined to be comparatively at fault for any claim, action, loss, or damage which results from their respective obligations under this Agreement, each Party shall indemnify the others to the extent of its comparative fault as determined in a legal action.

2. San Bernardino County and HASBC are authorized self-insured or partially self-insured public entities for purposes of Professional Liability, General Liability, Automobile Liability and Worker's Compensation and warrant that through their respective programs of self-insurance and insurance, they have adequate coverage or resources to protect against liabilities arising out of performance of the terms, conditions or obligations of this Agreement

G. NOTICES

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

San Bernardino County
Human Services Administration
Attn.: Contracts Unit
150 S. Lena Road
San Bernardino, CA 92415-0515
Phone: 909-388-0360
Email: hsasdcontractsunit@hss.sbcounty.gov

Housing Authority of San Bernardino County
715 E. Brier Drive
San Bernardino, CA 92408
Phone: 909-890-0644
Email: procurement@hacsb.com

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

H. ENTIRE AGREEMENT

1. This Contract, including all Exhibits and other attachments, which are attached hereto and incorporated by reference, and other documents incorporated herein, represents the final, complete and exclusive agreement between the parties hereto. Any prior agreement, promises, negotiations or representations relating to the subject matter of this Contract not expressly set forth herein are of no force or effect. This Contract is executed without reliance upon any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein. Each party has carefully read this Contract and signs the same of its own free will.
2. This Contract may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Contract. The parties shall be entitled to sign and transmit an electronic signature of this Contract (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Contract upon request.

IN WITNESS WHEREOF, San Bernardino County and the Contractor have each caused this Contract to be subscribed by its respective duly authorized officers, on its behalf.

SAN BERNARDINO COUNTY

►

Pete Mendoza, Director of Purchasing

Dated: _____

HOUSING AUTHORITY OF SAN BERNARDINO COUNTY

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

By ►

(Authorized signature - sign in blue ink)

Name Maria Razo

(Print or type name of person signing contract)

Title Executive Director

(Print or Type)

Dated: _____

Address 715 E. Brier Drive

San Bernardino, CA 92408

FOR COUNTY USE ONLY

Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
► Adam Ebright, Deputy County Counsel	► Lisa Rivas-Ordaz, Contracts Manager	► Arlene Molina, Director Preschool Services Department
Date _____	Date _____	Date _____

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

February 10, 2026

FROM

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

SUBJECT

Contract Amendments with Intergraded Security Management Group for Armed Guard Services

RECOMMENDATION(S)

1. Ratify Amendments No. 10 and No. 11 to contract No. PC1203 back to June 16, 2025, with Intergraded Security Management Group for armed guard services increasing the current contract by \$192,292.00 for a total amount not to exceed \$901,153.00 through January 31, 2026.
2. Authorize and direct the Executive Director to execute and deliver the contract amendment to Intergraded Security Management Group and, upon consultation with Legal Counsel, to approve any non-substantive revisions necessary to complete the transaction.
(Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

Approval of these amendments will increase the current contract amount by \$192,292.00, resulting in a total contract amount not to exceed \$901,153.00. While the contract is funded through the Housing Authority of the County of San Bernardino's (HACSB) Property Operations budget, there will be no net cost to HACSB, as the full amount of this increase has been paid by the San Bernardino County Preschool Services Department (County PSD) in advance for the covered services.

BACKGROUND INFORMATION

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

In late May 2025, County PSD requested that HACSB provide temporary additional armed guard services at two preschool sites: Arrowhead Grove and Whitney Young. In response, HACSB agreed to provide the requested services, amended its existing armed guard services contract,

Contract Amendments with Intergraded Security Management Group for Armed Guard Services
February 10, 2026

and submitted invoices to County PSD for payment of these services from June 2025 through January 2026.

In September 2025, County PSD notified HACSB that the proposed lease addendum adding the temporary armed guard services was not approved and proposed a separate agreement to document these services. Following multiple communications and a joint meeting between both agencies, it was agreed that the parties would proceed with a stand-alone agreement for the temporary armed guard services.

Accordingly, a separate agreement between HACSB and County PSD was drafted and is included as a separate item on the February HACSB Board of Commissioners (Board) agenda. This agreement includes specific language documenting the temporary nature of the services and the payment arrangement supporting these services.

Coverage of temporary armed guard services was initially approved to properly document actions taken in good faith to meet County PSD's funding requirements. This item is now being brought forward for retroactive Board approval to formally ratify the action taken and align the contract documentation with the Agency's policies.

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

On April 23, 2021, Amendment No. 1 was approved to delete the property at 1470 E. Lynwood San Bernardino, CA 92404

On May 21, 2021, Amendment No. 2 was approved to increase the contract by \$1,700.00 for temporary service locations to bolster the safety of the onsite manager.

On October 1, 2021, Amendment No. 3 was approved to delete the property Waterman Gardens (Arrowhead Grove site) at 425 Crestview San Bernardino, CA 92410 – vacant lots, maintenance yard in the Northeast corner of the Arrowhead Grove site, the two legacy HACSB buildings located on Crestview, and the preschool buildings.

On October 1, 2022, Amendment No. 4 was approved to delete the property of Andalusia Apartments, 13520 Third Ave. Victorville, CA 923395.

On March 1, 2023, the Board approved Amendment No. 5 to the contract to exercise the first option year through February 29, 2024, and increase the contract amount by \$115,005 for a total amount not-to-exceed \$444,256.00.

On May 1, 2023, Amendment No. 6 was approved to delete the scattered sites property at 4181 N. E Street (6 units) in San Bernardino, CA 92407.

On June 30, 2023, Amendment No. 7 was approved to add additional security patrols for the Maplewood property at 64 hours per week from 6/30/2023-9/3/2023 – 10 weekends at \$2,928.00 per week (\$45.75 per hour) increasing the contract amount by \$29,280.00 for a new total amount not-to-exceed \$473,536.00.

Contract Amendments with Intergraded Security Management Group for Armed Guard Services February 10, 2026

On February 13, 2024, the Board approved Amendment No. 8 with ISMG, to exercise the second option year and increase the contract amount by \$105,000.00 for an overall contract amount of \$578,536.00 through February 28, 2025.

On February 18, 2025, the Board approved Amendment No. 9 with ISMG, increasing the contract amount by \$130,325 for an amount not to exceed \$708,861.00

On June 16, 2025, Amendment No. 10 was approved and executed to add additional armed security patrols for County PSD at the Whitney Young Preschool (1755 Maple St. San Bernardino, CA) and Arrowhead Grove Preschool (1151 N. Crestview Ave. San Bernardino, CA), starting June 16, 2025, through February 28, 2026, at a daily rate of \$430.00 for each site to include 249 regular days for the hours of 6 a.m.-6 p.m. Monday-Friday and 6 a.m.-6 p.m. Saturday and Sunday and nine Federal holidays at \$462.00 for a total of 258 days. Payment for services to be reimbursed to HACSB by County PSD. The compensation payable to the contractor will be increased by \$222,456.00 (\$111,228.00 per site) for a total amount not to exceed \$931,317.00.

Immediately following the execution of Amendment No. 10, which was reviewed and approved by County PSD, Amendment No. 11 was executed to align with County PSD site-level approval limits. County PSD subsequently indicated that expenditures could not exceed \$100,000 per site. As a result, Amendment No. 11 reduced the contract amount by \$30,164.00 and shortened the contract term to January 31, 2026.

PROCUREMENT

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

ITEM ATTACHMENTS

- Contract – Amendment 10 TO CONTRACT FOR ARMED GUARD SERVICES
- Contract– Amendment 11 TO CONTRACT FOR ARMED GUARD SERVICES

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 28, 2026.



**AMENDMENT #10 TO CONTRACT FOR ARMED GUARD SERVICES
(PC1203)**

BETWEEN

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

and

INTERGRADED SECURITY MANAGEMENT GROUP (ISMG)

This Amendment No. 10 ("Tenth Amendment"), dated June 16, 2025 ("Effective Date"), to Agreement for Armed Guard Services (PC1203), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, ("Authority") and Intergraded Security Management Group (ISMG), a California Non-Profit Organization ("Contractor").

RECITALS

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

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

WHEREAS, the Authority and Contractor entered into Amendment Number Two to the Agreement, dated May 21, 2021, to temporarily change service locations due to safety issue of onsite manager adding an additional \$1,700.00 for a total amount not-to-exceed \$329,251.00;

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

WHEREAS, the Authority and Contractor entered into Amendment Number Four to the Agreement to delete the property of Andalusia Apartments at 13520 Third Ave. Victorville, CA 92395. Other areas per the Agreement remained in the scope of work;

WHEREAS, the Authority and Contractor entered into Amendment Number Five to the Agreement to exercise the first option year through February 29, 2024 and increase the compensation payable to Contractor by \$115,005.00 for a total amount not- to-exceed \$444,256.00;

WHEREAS, the Authority and Contractor entered into Amendment Number Six to the Agreement to delete the scattered sites property at 4181 N. E Street (6 units) in San Bernardino, CA 92407;

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

WHEREAS, the Authority and Contractor entered into Amendment Number Eight to exercise the second option year through February 28, 2025 and increase the compensation payable to Contractor by \$105,000.00 for a total amount not-to-exceed \$578,536.00; and

WHEREAS, the Authority and Contractor entered into Amendment Number Nine to exercise the third option year through February 28, 2026 and increase the compensation payable to Contractor by \$130,325.00 for a total amount not-to-exceed \$708,861.00.

WHEREAS, the Authority and Contractor now wish to enter into this Tenth Amendment to add additional armed security patrols for the County of San Bernardino Preschool Services Department at the Whitney Young Preschool (1755 Maple St. San Bernardino, CA) and Arrowhead Grove Preschool site (1151 N. Crestview Ave. San Bernardino, CA), starting June 16, 2025, through February 28, 2026, at a daily rate of \$430.00 for each site to include 249 regular days for the hours of 6AM-6PM Monday-Friday and 6pm-6AM Saturday and Sunday and 9 Federal holidays at \$462.00 for a total of 258 days. Payment for services to be reimbursed to HACSB by The County of San Bernardino Preschool Services Department. The compensation payable to the contractor will be increased by \$222,456.00 (\$111,228.00 per site) for a total amount not-to-exceed \$931,317.00.

OPERATIVE PROVISIONS

NOW, THEREFORE, the foregoing Recitals being true and correct, and in consideration of the mutual covenants and obligations contained in this Tenth 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 update the rates for the temporary services (Exhibit A-1) 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. Funds for these additional temporary services will be reimbursed by The County of San Bernardino Preschool Services Department.

Section 2. The Scope of Services at Exhibit A to the Agreement is hereby amended to add the following additional services, with all other provisions of Exhibit A remaining unmodified and in full force and effect:

The coverage for Whitney Young Preschool (1755 Maple St. San Bernardino, CA) and Arrowhead Grove Preschool site (1151 N. Crestview Ave. San Bernardino, CA) June 16, 2025 through February 28, 2026 is:

ISMG will provide routine armed security patrols at each designated preschool site as outlined in Exhibit A-1, with services scheduled for a total of 258 days. Services will be provided at the following rates and times:

- - Daily rate of \$430.00 per site for 249 days, covering:
 - ▪ Monday through Friday, 6:00 AM – 6:00 PM
 - ▪ Saturday and Sunday, 6:00 PM – 6:00 AM
- - Holiday rate of \$462.00 per site for 9 recognized federal holidays
- - One standing armed guard will be stationed at each location.
- - Guards will conduct hourly perimeter checks of each site.
- - Officers will make contact with homeless individuals or trespassers and escort them off the premises.
- - Officers will check in with Preschool staff at the start of each shift and mid-shift to address any site-specific needs or concerns.
- - Weekend shifts will include perimeter checks and communication with ISMG dispatch to report site status and document any observed maintenance issues.
- - Officers will respond to any attempts to gain unauthorized access to the property.

Reporting: ISMG will provide daily security reports to both Preschool Services and HACSB for each location.

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

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

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

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

Section 6. Authorization. The persons executing this Tenth 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 Tenth Amendment, such party is formally bound to the provisions of this Tenth Amendment, and (iv) the entering into this Tenth Amendment does not violate any provision of any other agreement to which said party is bound.

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

INTERGRADED SECURITY MANAGEMENT GROUP (ISMG)	<i>HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO</i>
DocuSigned by: By: <u>Emilio Olguin</u> 2927E3E1E56A400...	DocuSigned by: By: <u>Maria Razo</u> 3D2645B57CA34F5...
Name: <u>Emilio Olguin</u>	Name: <u>Maria Razo</u>
Title: <u>xvice President</u>	Title: <u>Executive Director</u>
Date: <u>6/11/2025</u>	Date: <u>6/12/2025</u>
—	—

Exhibit A-1

Schedule Dates:

Effective Date: June 16, 2025

Completion Date: February 28, 2026

Total Agreement Cost: Not to exceed \$931,317.00

Service:	Standard:	Overtime:	Daily:
Armed Uniformed Officer	\$34.50	\$38.50	\$430.00
Armed Holiday Rate	\$38.50	\$38.50	\$462.00

Original Agreement Amount Not to Exceed	\$327,551.00
Net Change Order – Previously Approved	\$0.00
Net Change Order – Previously Approved – Amendment #1	\$0.00
Net Change Order – Previously Approved – Amendment #2	\$1,700.00
Net Change Order – Previously Approved – Amendment #3	\$0.00
Net Change Order – Previously Approved – Amendment #4	\$0.00
Net Change Order – Previously Approved – Amendment #5	\$115,005.00
Net Change Order – Previously Approved – Amendment #6	\$0.00
Net Change Order – Previously Approved – Amendment #7	\$29,280.00
Net Change Order – Previously Approved – Amendment #8	\$105,000.00
Net Change Order – Previously Approved – Amendment #9	\$130,325.00
Net Change Order – Amendment #10	\$222,456.00
Agreement Value as Amended Not to Exceed	\$931,317.00



**AMENDMENT #11 TO CONTRACT FOR ARMED GUARD SERVICES
(PC1203)**

BETWEEN

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

and

INTERGRADED SECURITY MANAGEMENT GROUP (ISMG)

This Amendment No. 11 ("Eleventh Amendment"), dated June 23, 2025 ("Effective Date"), to Agreement for Armed Guard Services (PC1203), is entered into by and between the Housing Authority of the County of San Bernardino, a California public body, ("Authority") and Intergraded Security Management Group (ISMG), a California Non-Profit Organization ("Contractor").

RECITALS

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

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

WHEREAS, the Authority and Contractor entered into Amendment Number Two to the Agreement, dated May 21, 2021, to temporarily change service locations due to safety issue of onsite manager adding an additional \$1,700.00 for a total amount not-to-exceed \$329,251.00;

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

WHEREAS, the Authority and Contractor entered into Amendment Number Four to the Agreement to delete the property of Andalusia Apartments at 13520 Third Ave. Victorville, CA 92395. Other areas per the Agreement remained in the scope of work;

WHEREAS, the Authority and Contractor entered into Amendment Number Five to the Agreement to exercise the first option year through February 29, 2024 and increase the compensation payable to Contractor by \$115,005.00 for a total amount not- to-exceed \$444,256.00;

WHEREAS, the Authority and Contractor entered into Amendment Number Six to the Agreement to delete the scattered sites property at 4181 N. E Street (6 units) in San Bernardino, CA 92407;

WHEREAS, the Authority and Contractor entered into Amendment Number Seven to the Agreement to add additional security patrols for the Maplewood property of 64 hours per week from 6/30/2023 - 9/3/2023 – 10 weekends at \$2,928.00 per week (\$45.75 per hour) for a total of \$29,280.00;

WHEREAS, the Authority and Contractor entered into Amendment Number Eight to exercise the second option year through February 28, 2025 and increase the compensation payable to Contractor by \$105,000.00 for a total amount not-to-exceed \$578,536.00; and

WHEREAS, the Authority and Contractor entered into Amendment Number Nine to exercise the third option year through February 28, 2026 and increase the compensation payable to Contractor by \$130,325.00 for a total amount not-to-exceed \$708,861.00.

WHEREAS, the Authority and Contractor entered into the Tenth Amendment to add additional armed security patrols for the County of San Bernardino Preschool Services Department at the Whitney Young Preschool (1755 Maple St. San Bernardino, CA) and Arrowhead Grove Preschool site (1151 N. Crestview Ave. San Bernardino, CA), starting June 16, 2025, through February 28, 2026, at a daily rate of \$430.00 for each site to include 249 regular days for the hours of 6AM-6PM Monday-Friday and 6pm-6AM Saturday and Sunday and 9 Federal holidays at \$462.00 for a total of 258 days. Payment for services to be reimbursed to HACSB by The County of San Bernardino Preschool Services Department. The compensation payable to the contractor will be increased by \$222,456.00 (\$111,228.00 per site) for a total amount not-to-exceed \$931,317.00.

WHEREAS, the Authority and Contractor now wish to enter into this Eleventh Amendment to correct the number of days for the temporary additional armed security patrols as indicated in amendment Number 10 for the County of San Bernardino Preschool Services Department at the Whitney Young Preschool (1755 Maple St. San Bernardino, CA) and Arrowhead Grove Preschool site (1151 N. Crestview Ave. San Bernardino, CA), effective June 23, 2025, through January 30, 2026, at a daily rate of \$430.00 for each site to include 215 regular days for the hours of 6AM-6PM Monday-Friday and 6pm-6AM Saturday and Sunday and 8 Federal holidays at \$462.00 for a total of 223 days. Payment for services to be reimbursed to HACSB by The County of San Bernardino Preschool Services Department. The updated compensation payable to

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the contractor will be \$192,292.00 (\$96,146.00 per site) for a reduction of \$30,164.00 for a total amount not-to-exceed \$901,153.00.

OPERATIVE PROVISIONS

NOW, THEREFORE, the foregoing Recitals being true and correct, and in consideration of the mutual covenants and obligations contained in this Eleventh 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 update the rates for the temporary services (Exhibit A-1) 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. Funds for these additional temporary services will be reimbursed by The County of San Bernardino Preschool Services Department.

Section 2. The Scope of Services at Exhibit A to the Agreement is hereby amended to add the following additional services, with all other provisions of Exhibit A remaining unmodified and in full force and effect:

The coverage for Whitney Young Preschool (1755 Maple St. San Bernardino, CA) and Arrowhead Grove Preschool site (1151 N. Crestview Ave. San Bernardino, CA) June 16, 2025 through February 28, 2026 is:

ISMG will provide routine armed security patrols at each designated preschool site as outlined in Exhibit A-1, with services scheduled for a total of 223 days. Services will be provided at the following rates and times:

- - Daily rate of \$430.00 per site for 215 days, covering:
 - ▪ Monday through Friday, 6:00 AM – 6:00 PM
 - ▪ Saturday and Sunday, 6:00 PM – 6:00 AM
- - Holiday rate of \$462.00 per site for 8 recognized federal holidays
- - One standing armed guard will be stationed at each location.
- - Guards will conduct hourly perimeter checks of each site.
- - Officers will make contact with homeless individuals or trespassers and escort them off the premises.
- - Officers will check in with Preschool staff at the start of each shift and mid-shift to address any site-specific needs or concerns.
- - Weekend shifts will include perimeter checks and communication with ISMG dispatch to report site status and document any observed maintenance issues.
- - Officers will respond to any attempts to gain unauthorized access to the property.

Reporting: ISMG will provide daily security reports to both Preschool Services and HACSB for each location.

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

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

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

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

Section 6. Authorization. The persons executing this Eleventh 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 Eleventh Amendment, such party is formally bound to the provisions of this Eleventh Amendment, and (iv) the entering into this Eleventh Amendment does not violate any provision of any other agreement to which said party is bound.

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

<p>INTERGRADED SECURITY MANAGEMENT GROUP (ISMG)</p> <p>DocuSigned by: By: <u>Emilio Olguin</u> 2927E3E4E58A400...</p> <p>Name: <u>Emilio Olguin</u></p> <p>Title: <u>xVice President</u></p> <p>Date: <u>6/17/2025</u></p> <p>—</p>	<p><i>HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO</i></p> <p>DocuSigned by: By: <u>Maria Razo</u> 3D2645B57CA34F5...</p> <p>Name: <u>Maria Razo</u></p> <p>Title: <u>Executive Director</u></p> <p>Date: <u>6/17/2025</u></p> <p>—</p>
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Exhibit A-1

Schedule Dates:

Effective Date: June 23, 2025

Completion Date: January 31, 2026

Total Agreement Cost: Not to exceed \$901,153.00

Service:	Standard:	Overtime:	Daily:
Armed Uniformed Officer	\$34.50	\$38.50	\$430.00
Armed Holiday Rate	\$38.50	\$38.50	\$462.00

Original Agreement Amount Not to Exceed	\$327,551.00
Net Change Order – Previously Approved	\$0.00
Net Change Order – Previously Approved – Amendment #1	\$0.00
Net Change Order – Previously Approved – Amendment #2	\$1,700.00
Net Change Order – Previously Approved – Amendment #3	\$0.00
Net Change Order – Previously Approved – Amendment #4	\$0.00
Net Change Order – Previously Approved – Amendment #5	\$115,005.00
Net Change Order – Previously Approved – Amendment #6	\$0.00
Net Change Order – Previously Approved – Amendment #7	\$29,280.00
Net Change Order – Previously Approved – Amendment #8	\$105,000.00
Net Change Order – Previously Approved – Amendment #9	\$130,325.00
Net Change Order – Previously Approved - Amendment #10	\$222,456.00
Net Change Order – Amendment #11	-30,164.00
Agreement Value as Amended Not to Exceed	\$901,153.00

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

February 10, 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 HPI Property Acquisitions LLC

RECOMMENDATION(S)

1. Approve an extension of the Project-Based Voucher Program Housing Assistance Payments Contract with HPI Property Acquisitions LLC for 47 units at Robert O. Townsend Apartments for a 15-year period from April 15, 2027, through April 14, 2042.
2. Authorize and direct the Executive Director to execute and deliver the contract extension to HPI Property Acquisitions LLC 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 Housing Assistance Payments (HAP) Contract is included in the annual Housing Services department budget for HAP.

BACKGROUND INFORMATION

On April 15, 2002, HACSB entered into a 10-year PBV Program HAP Contract for Robert O. Townsend Apartments, a 48-unit senior development, owned by HPI Property Acquisitions LLC. 47 units receive PBV assistance, and one unit is for the property manager. The contract was extended for a 15-year term through April 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 12 months prior to the end of the Contract term. The PBV program ensures stable, affordable housing for low-income seniors in the City of Montclair. Therefore, the extension of the contract is appropriate to continue providing this much needed affordable housing for low-income seniors, and HACSB staff recommends the Board of Commissioners approve the extension of the HAP contract.

PROCUREMENT

Not applicable

ITEM ATTACHMENTS

Contract – PBV HAP Contract for Robert O. Townsend Apartments

Extension of Project-Based Voucher Program Housing Assistance Payments Contract with HPI
Property Acquisitions LLC
February 10, 2026

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 22, 2026.

**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**

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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

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

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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
-

**Project-Based Voucher Program
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

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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

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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

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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 48 units are within the property identified in this HAP Contract, of which 47 units are covered by this HAP Contract and 1 unit is for the property manager. The PBV units are designated for elderly families.

Development: Robert O. Townsend
Address: 9190 Monte Vista #101 - #226
City, State, Zip: Montclair, CA 91763
Assessor's Parcel No. 1009-061-11-0000

The contract units are all of the units at the property, except the Manger Unit #118:

Bedroom Size	# of Units	Contract Rent*
1	47	\$1,967

*Contract rents are those in effect on April 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
- Refrigerator
- Microwave
- Window A/C
- Patio/Balcony
- Tankless water heater

Community amenities:

- On-site manager
- Coin operated laundry room
- Clubhouse

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**

- Path of travel
- Van accessible parking
- Site with laundry facilities equipped with accessible washer and dryer

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

February 10, 2026

FROM

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

SUBJECT

Data Use Agreement for Supportive Services at Golden Apartments

RECOMMENDATION(S)

1. Approve a data use agreement, effective March 24, 2026, between the Housing Authority of the County of San Bernardino, Inland Empire Health Plan, San Bernardino County Department of Behavioral Health, Step Up on Second Street, Inc., and Inland Housing Solutions for the permanent supportive housing development, Golden Apartments, for a five-year term through October 31, 2030.
2. Authorize and direct the Executive Director to execute and deliver the agreement to Inland Empire Health Plan, San Bernardino County Department of Behavioral Health, Step Up on Second Street, Inc., and Inland Housing Solutions and, upon consultation with Legal Counsel, to approve any non-substantive revision necessary to complete the transaction.
(Presenter: Maria Razo, Executive Director, 332-6305)

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

Approval of the proposed non-financial agreement will result in services provided to the property's residents at no cost to the Housing Authority of the County of San Bernardino (HACSB).

BACKGROUND INFORMATION

In December 2019, HACSB opened its first permanent supportive housing development, Golden Apartments, in the City of San Bernardino, CA. Golden Apartments is a 38-unit apartment community for housing chronically homeless individuals from San Bernardino County. In addition to creating a quality living space, the purpose of this development is also to provide extended supportive services on-site, to better serve the needs of the residents. HACSB has developed partnerships with Inland Empire Health Plan (IEHP), County of San Bernardino Department of Behavioral Health, Step Up on Second Street, Inc., and Inland Housing Solutions to deliver ongoing supportive services to the residents at this property at no cost to HACSB. Approval of this agreement will allow the mutual partners to continue to access certain protected health information for the purpose of providing housing units, intensive case management and community health services for residents.

PROCUREMENT

Not Applicable

ITEM ATTACHMENTS

- Contract – Data Use Agreement for Golden Apartments

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 22, 2026.

DATA USE AGREEMENT
BETWEEN
INLAND EMPIRE HEALTH PLAN
AND
HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO
AND
SAN BERNARDINO COUNTY
AND
STEP UP ON SECOND STREET, INC.
AND
INLAND HOUSING SOLUTIONS
FOR
GOLDEN APARTMENTS

This Data Use Agreement (“Agreement”) is made effective upon execution (March 24, 2026) by and between Inland Empire Health Plan (“IEHP” or “Covered Entity”), a local public entity of the State of California and Housing Authority of the County of San Bernardino, San Bernardino County, through the Department of Behavioral Health, Step Up on Second Street, Inc., and Inland Housing Solutions (collectively, “Recipient”). Either party may be referred to individually as the “Party” or collectively as “the Parties.”

WHEREAS, IEHP possesses certain data, including Protected Health Information (PHI) and/or electronic Protected Health Information (ePHI) as defined under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), and desires to share such data with Recipient(s) for the purpose providing housing units, intensive case management, and community health services for qualified IEHP Members at Golden Apartments (the “Project”); and

WHEREAS, the Parties recognize the importance of protecting the privacy and security of the data to be shared, and wish to comply with all applicable federal, state, and local laws and regulations, including but not limited to HIPAA, the HIPAA Privacy, Security, Breach Notification, and Enforcement Rules (45 CFR Parts 160 and 164), the California Confidentiality of Medical Information Act (“CMIA”), and any other applicable privacy laws;

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

1. Definitions. Unless otherwise specified in this Agreement, all capitalized terms have the same meanings as set forth in the HIPAA Regulations, as amended from time to time.
2. Responsibilities of Recipient. Recipient agrees to:
 - a. Not use or further disclose the PHI or ePHI other than as permitted by this Agreement or as otherwise required by law;
 - b. Use appropriate safeguards to prevent use or disclosure of the information in the PHI or ePHI other than as provided for by this Agreement;
 - c. Report to IEHP any use or disclosure of the information in the PHI or ePHI not provided for by this Agreement of which it becomes aware;
 - d. Ensure that any agents or subcontractors to whom it provides the PHI or ePHI agree to the same restrictions and conditions that apply to Recipient with respect to such information; and
 - e. Comply with all applicable requirements of HIPPA and abide by the terms of the Business Associate Agreement (“BAA”) attached hereto as Attachment A and incorporated herein by reference, to the extent Recipient is acting as a Business Associate of IEHP, a Covered Entity under HIPAA.
 - f. Comply with all relevant Federal and State laws and regulations, including, but not limited to those listed below, inclusive of future revisions, and comply with all applicable provisions of:
 - i. Welfare and Institution Code 5328 et seq.,
 - ii. Welfare and Institution Code 14100.2,
 - iii. Title 22, California Code of Regulations Section 51009, and
 - iv. Code of Federal Regulations, Title 42, Part 2.
3. Permitted Uses and Disclosures of the PHI or ePHI.
 - a. Except as otherwise specified herein, Recipient may use and/or disclose the PHI or ePHI necessary for the Project or as required by law.
 - b. Recipient shall receive or have access to only the following types of confidential PHI or ePHI from IEHP:
 - i. Identifying information on all active IEHP Members living at Golden Apartments, including Member ID numbers, names, and dates of birth.
 - ii. Select information from Member health records subject to IEHP approval, including Member Primary Care Physicians (“PCP”), open referrals, prior utilization data, and prescription medications.
 - c. Recipient understands that this Agreement does not authorize the Recipient to have greater rights to use or disclose the information than that which is granted to IEHP pursuant to the HIPAA Regulations.
 - d. Recipient has designated the following individual(s) and/or classes of individuals, who are permitted to use or receive the PHI or ePHI for purposes of the Project:

Interdisciplinary Care Team providing case management to individuals housed at Golden Apartments. To the extent the classes of individuals are not part of Recipient's workforce who are directly involved in the Project, Recipient shall enter into a data use agreement, including the attached Business Associate Agreement, that complies with the HIPAA Regulations, prior to the release of the PHI or ePHI with the other classes of individuals.

- e. Recipient shall use the above described PHI or ePHI for purposes of the Project only.

4. Term and Termination.

- a. Term. The term of this Agreement shall commence as of March 24, 2026, and terminate on October 31, 2030. Upon termination of this Agreement, Recipient(s) agrees to immediately furnish to IEHP all data, including PHI and ePHI, received under this Agreement.
- b. Termination for Convenience. Either Party may terminate this Agreement, for convenience upon thirty (30) days' written notice
- c. Termination for Breach. Upon IEHP's knowledge of a pattern or practice that constitutes a material breach of this Agreement by Recipient, IEHP may immediately and unilaterally terminate this Agreement. Alternatively, IEHP may provide an opportunity for Recipient to cure the breach or end the violation. If such efforts are not successful within the reasonable time period specified by IEHP, or if IEHP determines that cure of the breach is not possible, IEHP shall immediately discontinue disclosure of the PHI or ePHI to Recipient and report the problem to the Secretary of the Department of Health and Human Services or its designee.

5. Indemnification. Each Party agrees to indemnify, defend (with counsel approved by the other Party) and hold harmless the other Parties ("Indemnitees") and their authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Agreement, but only to the extent actually caused by the negligent acts, errors or omissions of the indemnifying Party and its authorized officers, employees, agents, and volunteers, and for any costs or expenses incurred by Indemnitees on account of any claim except where such indemnification is prohibited by law.

If the Parties are determined to be comparatively at fault for any claim, action, loss, or damage which results from their respective obligations under this Agreement, each Party shall indemnify the others to the extent of its comparative fault as determined in a legal action.

6. Insurance. Each Party is an authorized self-insured or partially self-insured public entities for purposes of Professional Liability, General Liability, Automobile Liability and Worker's Compensation and warrant that through their respective programs of self-insurance and insurance, they have adequate coverage or resources to protect against liabilities arising out of performance of the terms, conditions or obligations of this Agreement.

7. Notice. All correspondence and notices required or contemplated by this Agreement shall be delivered at the addresses set forth below, and are deemed submitted two (2) days after their deposit in the United States mail, postage prepaid:

IEHP

Edward Juhn, MD, MBA, MPH
Chief Medical Officer for
Jarrod McNaughton, MBA, FACHE
Chief Executive Officer
IEHP
10801 Sixth Street
Rancho Cucamonga, CA 91730
(909) 890-2000
Juhn-E@iehp.org

HOUSING AUTHORITY OF THE
COUNTY OF SAN BERNARDINO:

Maria Razo
Executive Director
Housing Authority of the County of San
Bernardino
715 East Brier Drive
San Bernardino, CA 92408
(909) 890-0644
mgrazo@hacsb.com

INLAND HOUSING SOLUTIONS

Carmen Rascon
Housing Director
Inland Housing Solutions
P.O. Box 239
Loma Linda, CA 92354
(909) 796-6381, ext. 106
carmen@inlandhousingsolutions.org

SAN BERNARDINO COUNTY
DEPARTMENT OF BEHAVIORAL
HEALTH:

Georgina Yoshioka, DSW, MBA, LCSW
Director
San Bernardino County Department of
Behavioral Health:
303 E. Vanderbilt Way
San Bernardino, CA 92415
(909) 252-5142
Georgina.Yoshioka@dbh.sbcounty.gov

STEP UP ON SECOND STREET, INC.

Tod Lipka
President and CEO
Step Up on Second Street, Inc.
1329 2nd Street
Santa Monica, CA 90401
(310) 394-6883
tlipka@stepup.org

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

8. General Provisions.

- a. Construction of Terms. The terms of this Agreement shall be construed to give effect to applicable federal interpretative guidance regarding the HIPAA Regulations. A reference in this Agreement to a section in the HIPAA Regulations means the section(s) as in effect or as amended.
- b. No Third-Party Beneficiaries. Nothing in this Agreement shall confer upon any person other than the Parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

- c. Independent Contractors. The Parties are independent contractors. Neither Party has the power or authority to act on behalf of the other Party as its agent. Nothing in this Agreement shall be construed to make the Parties hereto partners, joint venturers, or agents of or with each other, nor shall either Party so represent itself.
- d. Amendment. This Agreement shall not be amended or assigned by either Party without the prior written consent of the other. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for the Parties to comply with HIPAA Regulations.
- e. Law and Venue. This Agreement shall be governed by the laws of California, without regard to its principles of conflicts of law. All actions and proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the state or federal courts located in the counties of San Bernardino or Riverside, State of California.
- f. Entire Agreement/Severability. This Agreement constitutes the entire agreement between IEHP and Recipient, and supersedes all other prior and contemporaneous agreements, understandings, and commitments between them, relating to the subject matter hereof. The invalidity of any provision of this Agreement shall not affect the validity of the remaining provisions, and this Agreement shall be construed as if such invalid provision had been omitted.
- g. Expense of Performance. Each Party shall bear its own expenses as to the sharing of data unless otherwise specified in this Agreement.
- h. Survival. Unless otherwise provided herein, the rights and obligations of any Party which by their nature extend beyond the expiration or termination of this Agreement, shall continue in full force and effect, notwithstanding the expiration or termination of this Agreement.
- i. Remedies. IEHP shall be entitled to seek immediate injunctive relief as well as to exercise all other rights and remedies IEHP may have at law or in equity in the event of an unauthorized use, access, or disclosure of the PHI or ePHI by Recipient or any agent or subcontractor of Recipient that received information from Recipient. Recipient hereby waives any requirement that IEHP post any bond or other security in the event any injunctive or equitable relief is sought by IEHP.
- j. Ownership. The PHI or ePHI shall be and remain the property of IEHP. Recipient agrees that it acquires no title or rights to the PHI or ePHI.
- k. Public Statements; Publicity; Publications; Work Product; Intellectual Property.
 - i. Publicity and Public Statements. Without IEHP's prior written consent, Recipient shall not issue any press release, public announcement, marketing, promotional, or social media communication; publish, present, disseminate, or otherwise publicly disclose any information concerning this Agreement, the Parties' relationship, the Project or Services, any data shared or compiled under this Agreement, or analyses, results, or outcomes generated hereunder (including any pilot, proof-of-concept, or evaluation results); and shall not use or display IEHP's name, trade name, trademarks, service marks, logos, or other identifiers, or refer to IEHP as a client, partner, or reference. Recipient shall submit any permitted

disclosure to IEHP for review and written approval at least thirty (30) days in advance, and IEHP may require edits, redactions, or disclaimers as a condition of approval. If Recipient is legally required to make a public disclosure, Recipient shall, to the extent lawful, provide IEHP with prompt prior written notice and reasonably cooperate to limit the disclosure and seek confidential treatment. Recipient may disclose on a need-to-know basis to its affiliates, professional advisors, and potential investors, lenders, or acquirers under written confidentiality obligations no less protective than those herein. Nothing in this Section grants any license or publicity rights in IEHP's name or marks. This Section supplements the Parties' confidentiality obligations and survives expiration or termination. IEHP shall be entitled to injunctive relief for any actual or threatened breach of this Section, without the requirement to post bond.

- ii. **Publications and Academic/Program Evaluations.** Recipient shall not publish or present any report, paper, poster, presentation, or other publication based on data, information, or work product shared or compiled under this Agreement without IEHP's prior written consent. Any permitted publication shall comply with HIPAA, CMIA, 42 C.F.R. Part 2, and other applicable privacy laws; use only de-identified information unless otherwise expressly authorized; and include disclaimers requested by IEHP. This subsection does not restrict disclosures required by law, including the California Public Records Act (CPRA), provided that Recipient complies with subsection A and uses reasonable efforts to notify IEHP and seek confidential treatment to the extent permitted.
- iii. **Work Product and Ownership.** All work product created by Recipient under or in connection with this Agreement on behalf of IEHP—including reports, findings, analyses, documents, compilations, aggregated datasets, and derivative works of IEHP Data—shall be IEHP's property and, upon expiration or termination, shall be transmitted to IEHP in accordance with this Agreement. Ownership of PHI/ePHI remains as set forth elsewhere in this Agreement.
- iv. **Background and Embedded Intellectual Property.** As between the Parties, no Party assigns or transfers ownership of pre-existing intellectual property, methodologies, processes, know-how, templates, tools, or models ("Background IP"). To the extent any Recipient Background IP is contained in any data, information, or work product shared or compiled under this Agreement, Recipient grants IEHP a paid-up, royalty-free, nonexclusive, perpetual license to use and reproduce such Recipient Background IP solely for IEHP's internal business operations in connection with the Project. Nothing herein grants Recipient any license, right, or interest in IEHP's name, trademarks, or other intellectual property.

- v. **Survival.** The obligations in this Section survive expiration or termination of this Agreement.
- l. **Headings.** Paragraph headings contained in this Agreement are for convenience only and shall not be interpreted to limit or otherwise affect the provisions of this Agreement.
- m. **Counterparts/Signatures.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties' faxed signatures, and/or signatures scanned into PDF format, shall be effective to bind them to this Agreement.
- n. **Authority.** The Parties certify that the individuals signing below have the proper authority to execute this Agreement on behalf of the Parties.

[SIGNATURE PAGE TO FOLLOW]IN WITNESS WHEREOF, the Parties hereby execute this Agreement.

SAN BERNARDINO COUNTY



Dawn Rowe, Chair, Board of Supervisors


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

Lynna Monell
Clerk of the Board of Supervisors
San Bernardino County

By _____
Deputy

Inland Empire Health Plan

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

By  _____
(Authorized signature - sign in blue ink)

Edward Juhn

Name _____
(Print or type name of person signing contract)

Title Chief Medical Officer
(Print or Type)

Dated: _____

Address 10801 Sixth Street
Rancho Cucamonga, CA 91730

Attest: _____
Secretary, IEHP Governing Board

Date: _____

By: _____
Chair, IEHP Governing Board

Date: _____

Approved as to form:

By: _____
Anna Wang
Vice President, General Counsel
Inland Empire Health Plan

Date: _____

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

By: _____
Maria Razo
Executive Director

Date: _____

INLAND HOUSING SOLUTIONS

By: _____
Carmen Rascon
Housing Director

Date: _____

STEP UP ON SECOND STREET, INC.

By: _____
Tod Lipka
President and CEO

Date: _____

ATTACHMENT A

HIPAA BUSINESS ASSOCIATE AGREEMENT

This HIPAA Business Associate Agreement (the “Agreement”) is an Attachment to the Data Use Agreement (the “Underlying Agreement”) between the Inland Empire Health Plan (“IEHP”) and Housing Authority of the County of San Bernardino, San Bernardino County Department of Behavioral Health, Step Up on Second Street, Inc., Inland Housing Solutions, and Golden Apartments (“Business Associate”) as of the “Effective Date,” of the Underlying Agreement.

RECITALS

WHEREAS, IEHP and Business Associate entered into the Underlying Agreement pursuant to which Business Associate provides services to IEHP, and in conjunction with the provision of such services, certain Protected Health Information (“PHI”) and/or certain electronic Protected Health Information (“ePHI”) may be made available to Business Associate for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), more specifically the regulations found in Title 45, C.F.R., Parts 160 and 164, Subparts A and E (the “Privacy Rule”) and/or 45 C.F.R. Part 164, Subpart C (the “Security Rule”), as may be amended from time to time, which are applicable to the protection of any disclosure or use of PHI and/or ePHI pursuant to the Underlying Agreement; and,

WHEREAS, the provisions of Subtitle D entitled “Privacy” of the Health Information Technology for Economic and Clinical Health Act (“HITECH”) of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, and the implementing regulations adopted thereunder, as may be amended from time to time, impose certain requirements on business associates; and

WHEREAS, the provisions of the California Information Practices Act, more specifically found in California Civil Code sections 1798-1798.98; the Confidentiality of Alcohol and Drug Abuse Patient Records, found in Title 42 C.F.R. Part 2, the California Welfare and Institutions Code section 5328, and the California Health and Safety Code section 11845.5, as may be amended from time to time, which are applicable to the use of certain PHI and/or confidential information; and

WHEREAS, IEHP is a Covered Entity, as defined in the Privacy Rule; and,

WHEREAS, Business Associate, when on behalf of IEHP, creates, receives, maintains or transmits PHI and/or ePHI, is a business associate as defined in the Privacy Rule; and,

WHEREAS, the parties intend to enter into this Agreement to address the requirements of HIPAA, HITECH, Privacy Rule, and Security Rule as they apply to Business Associate as a business

associate of IEHP, including the establishment of permitted and required uses and disclosures (and appropriate limitations and conditions on such uses and disclosures) of PHI and/or ePHI by Business Associate that is created or received in the course of performing services on behalf of IEHP, and to incorporate the business associate obligations set forth in HITECH; and,

WHEREAS, the parties agree that any disclosure or use of PHI and/or ePHI be in compliance with the Privacy Rule, Security Rule, HITECH, or other applicable law;

WHEREAS, IEHP, on behalf of the California Department of Health Care Services (“DHCS”), provides services or arranges, performs, or assists in the performance of functions or activities on behalf of DHCS, and may create, receive, maintain, transmit, aggregate, use or disclose PHI in order to fulfill IEHP’s obligations under DHCS’ contract;

WHEREAS, IEHP, is in contract with Covered California to participate as a Qualified Health Plan (“QHP”) on the California Health Benefit Exchange (“Covered California”);

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. DEFINITIONS

A. Unless otherwise provided in this Agreement, or specifically defined in Paragraph B of this Section 1, the capitalized terms shall have the same meanings as set forth in the Privacy Rule, Security Rule, and/or HITECH, as may be amended from time to time.

B. Specific Definitions:

(1) “Breach,” when used in connection with Unsecured PHI, means, as defined in 45 C.F.R. § 164.402, the acquisition, access, use or disclosure of PHI in a manner not permitted under the Privacy Rule (45 C.F.R. Part 164, Subpart E), which compromises the security or privacy of the PHI. Except as otherwise excluded under 45 C.F.R. § 164.402, such acquisition, access, use or disclosure is presumed to be a Breach unless the Covered Entity or Business Associate, as applicable, demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following factors:

- a) The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;
- b) The unauthorized person who used the PHI or to whom the disclosure was made;
- c) Whether the PHI was actually acquired or viewed; and

- d) The extent to which the risk to PHI has been mitigated.
- (2) “Discovered” means the first day on which such Breach is known to such Covered Entity or Business Associate, respectively, (including any person, other than the individual committing the Breach, that is an employee, officer or other agent of such entity or associate, respectively) or should reasonably have been known to such Covered Entity or Business Associate (or person) to have occurred.
- (3) “Electronic Protected Health Information” (“ePHI”) means, as defined in 45 C.F.R. § 160.103, PHI transmitted by or maintained in electronic media, and for purposes of this Agreement, is limited to the ePHI that Business Associate creates, receives, maintains or transmits on behalf of IEHP.
- (4) “Protected Health Information” (“PHI”) shall generally have the meaning given such term in 45 C.F.R. § 160.103, which includes ePHI, and for purposes of this Agreement, is limited to PHI, including ePHI, that Business Associate creates, receives, maintains or transmits on behalf of IEHP.
- (5) “Secretary” means the Secretary of the U.S. Department of Health and Human Services or his/her designee.
- (6) “Subcontractor” means a person to whom a business associate delegates a function, activity, or service other than in the capacity of a member of the workforce of such business associate.
- (7) “Unsecured PHI” means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by the Secretary in the guidance issued under 42 U.S.C. § 17932(h)(2).

2. SCOPE OF USE AND DISCLOSURE BY BUSINESS ASSOCIATE OF PHI AND/OR EPHI

- A. Business Associate shall be permitted to use PHI and/or ePHI disclosed to it by IEHP:
 - 1) On behalf of IEHP, or to provide services to IEHP for the purposes contained herein, if such use or disclosure would not violate the Privacy Rule, Security Rule, and/or HITECH.

- 2) As necessary to perform any and all of its obligations under the Underlying Agreement.
- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or required by this Agreement or required by law, Business Associate may:
- 1) Use the PHI and/or ePHI in its possession for its proper management and administration and to fulfill any legal obligations.
 - 2) Disclose the PHI and/or ePHI in its possession to a third party for the purpose of Business Associate's proper management and administration or to fulfill any legal responsibilities of Business Associate, only if:
 - i. The disclosure is required by law; or
 - ii. Business Associate obtains written assurances from any person or organization to which Business Associate will disclose such PHI and/or ePHI that the person or organization will:
 - a) Hold such PHI and/or ePHI in confidence and use or further disclose it only for the purpose of which Business Associate disclosed it to the third party, or as required by law; and
 - b) Notify Business Associate of any instances of which it becomes aware in which the confidentiality of the information has been breached.
 - 3) Use the PHI and/or ePHI to provide Data Aggregation services relating to the Health Care Operations of IEHP if authorized by the Underlying Agreement or pursuant to the written request of IEHP.
 - 4) De-identify any and all PHI and/or ePHI of IEHP received by Business Associate under this Agreement provided that the De-identification conforms to the requirements of the Privacy Rule and/or Security Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Business Associate shall not:
- 1) Use or disclose PHI and/or ePHI it receives from IEHP, nor from another business associate of IEHP, except as permitted or required by this Agreement, or as required by law.

- 2) Perform any services (including any and all subcontracted services), which involves creating, receiving, maintaining or transmitting PHI and/or ePHI outside the United States of America.
- 3) Disclose PHI and/or ePHI not authorized by the Underlying Agreement or this Agreement without patient authorization or De-identification of the PHI and/or ePHI as authorized in writing by IEHP.
- 4) Make any disclosure of PHI and/or ePHI that IEHP would be prohibited from making.
- 5) Use or disclose PHI for fundraising or marketing purposes.
- 6) Disclose PHI, except as otherwise required by law, to a health plan for payment or healthcare operations purposes if the individual has requested this restriction, and the PHI solely relates to a health care item or service that is paid in full by the individual or person (other than the health plan) on behalf of the individual (45 C.F.R. § 164.522(a)(1)(vi)).
- 7) Directly or indirectly receive remuneration in exchange for PHI nor engage in any acts that would constitute a Sale of PHI, as defined in 45 C.F.R. § 164.502(a)(5)(ii), except with the prior written consent of IEHP and as permitted by and in compliance with 45 C.F.R. § 164.508(a)(4); however, this prohibition shall not affect payment by IEHP to Business Associate for services provided pursuant to the Underlying Agreement.
- 8) Use or disclose PHI that is Genetic Information for Underwriting Purposes, as those terms are defined in 45 C.F.R. §§ 160.103 and 164.502(a)(5)(i), respectively.
- 9) Divulge the Medi-Cal status of IEHP's Members without DHCS' prior approval except for treatment, payment, and operations, or as required by law.

- D. Business Associate agrees that in any instance where applicable state and/or federal laws and/or regulations are more stringent in their requirements than the provisions of HIPAA and/or HITECH (including but not limited to prohibiting the disclosure of mental health, and/or substance abuse records, the more stringent laws and/or regulations shall control the disclosure of PHI. The Business Associate will treat any violation of such additional protective standards as a breach or security incident. Any provision of this Agreement which is in conflict with current or future applicable Federal or State laws is hereby amended to conform to the provisions of those laws. Such amendment of this Agreement shall be effective on the effective date of the laws necessitating it, and shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties. Business Associate agrees to comply with all applicable California state health information privacy and security laws, including the Confidentiality of Medical Information Act, the California Insurance Information and Privacy Protection Act, and the Information Practices Act.
- E. Business Associate must provide DHCS with a list of external entities, including persons, organizations, and agencies, other than those within its treatment network and other than DHCS, to which it discloses lists of Medi-Cal Member names and addresses. Business Associate must provide DHCS with the list within 30 calendar days of the execution of this Agreement and annually thereafter.

3. **OBLIGATIONS OF IEHP**

- A. Notification of Restrictions to Use or Disclosure of PHI. IEHP agrees that it will make its best efforts to promptly notify Business Associate in writing of any restrictions, limitations, or changes on the use, access and disclosure of PHI and/or ePHI agreed to by IEHP in accordance with 42 U.S.C. § 17935(a), that may affect Business Associate's ability to perform its obligations under the Underlying Agreement, or this Agreement.
- B. Proper Use of PHI. IEHP shall not request Business Associate to use, access, or disclose PHI and/or ePHI in any manner that would not be permissible under the Privacy Rule, Security Rule, and/or HITECH.
- C. Authorizations. IEHP will obtain any authorizations necessary for the use, access, or disclosure of PHI and/or ePHI, so that Business Associate can perform its obligations under this Agreement and/or the Underlying Agreement.
- D. Actions in Response to Business Associate Breach. IEHP shall complete the following in the event that IEHP has determined that Business Associate has a Breach:
 - (1) Determine appropriate method of notification to the patient/client(s) regarding a Breach as outlined in 45 C.F.R. § 164.404(d).

- (2) Send notification to the patient/client(s) without unreasonable delay but in no case later than sixty (60) days of Discovery of the Breach with at least the minimal required elements as follows:
 - a) Brief description of what happened, including the date of the Breach and the date of Discovery;
 - b) Description of the types of Unsecured PHI involved in the Breach (such as name, date of birth, home address, Social Security number, medical insurance, etc.);
 - c) Steps patient/client(s) should take to protect themselves from potential harm resulting from the Breach;
 - d) Brief description of what is being done to investigate the Breach, to mitigate harm to patient/client(s) and to protect against any further Breaches; and
 - e) Contact procedures for patient/client(s) to ask questions or learn additional information, which must include a toll-free telephone number, an E-Mail address, website or postal address.
 - (3) Determine if notice is required to the Secretary and/or DHCS. This notification will be provided by email upon discovery of the breach. If IEHP is unable to provide notification by email, then IEHP shall provide notice by telephone to DHCS.
 - (4) If required, submit Breach information to the Secretary within the required timeframe, in accordance with 45 C.F.R. § 164.408(b).
- E. Contract Violations by Business Associate. Pursuant to 45 C.F.R. § 164.504(e)(1)(ii), if IEHP knows of a pattern of activity or practice of the Business Associate that constitutes a material breach or violation of the Business Associate's obligations under this Agreement, IEHP must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, IEHP shall terminate the Agreement, if feasible.
- F. Identification of Security Official: The Business Associate shall identify the security official who is responsible for the development and implementation of the policies and procedures required by 45 CFR Part 164, Subpart C.

4. **OBLIGATIONS OF BUSINESS ASSOCIATE**

- A. Minimum Necessary. Business Associate shall request, use, access or disclose only the minimum amount of PHI and/or ePHI as permitted or required by this

Agreement and as necessary to accomplish the intended purpose of the request, use, access or disclosure in accordance with the Privacy Rule (45 C.F.R. § 164.502(b)(1)).

- B. Appropriate Safeguards. Business Associate shall use reasonable and appropriate safeguards and comply, where applicable, with the Security Rule with respect to ePHI, to prevent use or disclosure of PHI and/or ePHI other than as provided for by this Agreement. Business Associate shall implement administrative, physical and technical safeguards in accordance with the Security Rule under 45 C.F.R. §§ 164.308, 164.310, 164.312 and 164.316 and be based on applicable Federal Information Processing Standards (FIPS) Publication 199 protection levels:
- (1) Business Associate shall issue and change procedures from time to time to improve electronic data and file security as needed to comply with the measures that may be required by the Privacy Rule or the Security Rule, as applicable, and at all times use an NIST-Approved Technology for all PHI and/or ePHI that is in motion, stored or to be destroyed.
 - (2) Business Associate shall extend such policies and procedures, if applicable, for the protection of physical PHI to prevent, detect, contain and correct security violations, as well as to limit unauthorized physical access to the facility or facilities in which the PHI is housed.
- C. Disclosure. Business Associate is solely responsible for its decisions regarding the safeguarding of PHI and other confidential information.
- D. Mitigation. Business Associate shall have procedures in place to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use, access or disclosure of PHI and/or ePHI by Business Associate in violation of this Agreement.
- E. Access to Records. Business Associate shall make facilities internal practices, systems, books, and records including policies and procedures, relating to the use, access, disclosure, and privacy protection of PHI received from IEHP, or created or received by Business Associate on behalf of IEHP, available to the Secretary and/or DHCS, for purposes of determining, investigating or auditing Business Associate's, IEHP's, and/or DHCS' compliance with the Privacy and Security Rules and/or HITECH, subject to any applicable legal restrictions. Business Associate shall also cooperate with IEHP should IEHP elect to conduct its own such investigation and analysis.
- F. Notification. If Business Associate is the subject of an audit, compliance review, investigation or any proceeding that is related to the performance of its obligations pursuant to this Agreement, or is the subject of any judicial or administrative proceeding alleging a violation of HIPAA, Business Associate shall promptly notify IEHP unless it is legally prohibited from doing so

- G. Carrying Out IEHP's Obligations. To the extent Business Associate is to carry out one or more of IEHP's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that applies to IEHP in the performance of such obligations.
- H. In conducting any electronic transaction that is subject to the Electronic Transactions Rule on behalf of IEHP, Business Associate agrees to comply with all applicable requirements of the Electronic Transactions Rule set forth in 45 CFR. Part 162.
- I. Subcontractors. In accordance with 45 C.F.R. §§164.502(e)(1)(ii) and 164.308(b)(2), if applicable, Business Associate shall require Subcontractors that create, receive, maintain or transmit PHI and/or ePHI on behalf of Business Associate, to agree to the same restrictions, conditions and requirements that apply to Business Associate with respect to the PHI and/or ePHI, including the restrictions, conditions and requirements set forth in this Agreement.
- J. Contract Violations by Subcontractors. Pursuant to 45 C.F.R. § 164.504(e)(1)(iii), if Business Associate knows of a pattern of activity or practice of the Subcontractor that constitutes a material breach or violation of the Subcontractor's obligations under the business associate contract between Business Associate and Subcontractor, Business Associate must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, Business Associate shall terminate the business associate contract with the Subcontractor if feasible.
- K. Workforce Training. Business Associate warrants that all workforce members including employees, contractors, temporary staff, volunteers, and interns/students who use, access or disclose PHI and/or ePHI shall be properly trained to comply with Privacy Rule, Security Rule, HITECH, or other such applicable law. Training must be conducted prior to access is granted to PHI and annually thereafter, and include at minimum:
- (1) Definitions of PHI and PII
 - (2) Use and disclosures for PHI
 - (3) How to report privacy concerns/breaches
 - (4) Best practices for safeguarding PHI
 - (5) Enforcement of policies and procedures
- L. Patient Confidentiality Laws and Regulations. Business Associate agrees to obtain and maintain knowledge of the applicable laws and regulations related to HIPAA and HITECH, as may be amended from time to time.

- M. Reporting of Improper Access, Use or Disclosure Breach. Business Associate shall report to IEHP any unauthorized use, access or disclosure of Unsecured PHI and/or ePHI or any other Security Incident with respect to PHI no later than 24 hours after Discovery of the potential Breach (“Notice Date”). With respect to PHI involving Medi-Cal beneficiaries, SSA data, or potential loss of confidential data affecting this Agreement, Business Associate shall report to IEHP any Breach or Security Incident of which Business Associate becomes aware, within 24 hours of discovery. Business Associate shall notify IEHP through the IEHP Compliance Department via telephone to the Compliance Hotline (866) 355-9038, via email to the Compliance Mailbox compliance@iehp.org, or via facsimile to the Compliance Fax (909) 477-8536. Upon Discovery of the potential Breach, Business Associate shall complete the following actions:
- (1) Provide IEHP’s Compliance Department with the information required by 45 C.F.R. §§164.410 and 164.404, which shall include, but not be limited to:
 - a) The identification of each individual (IEHP Members) whose Unsecured PHI has been, or is reasonably believed by Business Associate, to have been accessed, acquired, used or disclosed;
 - b) Date(s) of Breach: MM/DD/YYYY;
 - c) Date(s) of Discovery of Breach: MM/DD/YYYY;
 - d) Approximate number of individuals (IEHP Members) affected by the Breach;
 - e) Type of Breach, i.e., theft, loss, improper disposal, unauthorized access, hacking/IT incident (for additional selections, see U.S. Department of Health & Human Services, Health Information Privacy);
 - f) Location of breached information, i.e., laptop, desktop computer, network server, E-Mail, other portable electronic device (see U.S. Department of Health & Human Services, Health Information Privacy);
 - g) Type of PHI involved in the Breach, i.e., demographic information, financial information, clinical information (see U.S. Department of Health & Human Services, Health Information Privacy);
 - h) Safeguards in place prior to Breach, i.e., firewalls, packet filtering (router-based), encrypted wireless (see U.S. Department of Health & Human Services, Health Information Privacy);

- i) Actions taken in response to Breach, i.e., mitigation, protection against any further Breaches, policies and procedures (see U.S. Department of Health & Human Services, Health Information Privacy); and
 - j) Any steps individuals should take to protect themselves from potential harm resulting from the Breach.
- (2) Conduct and document a risk assessment by investigating, without unreasonable delay and in no case later than five (5) calendar days of Discovery, the potential Breach to determine the following:
 - a) Whether there has been an impermissible use, acquisition, access or disclosure of PHI and/or ePHI under the Privacy Rule;
 - b) Whether an impermissible use or disclosure compromises the security or privacy of the PHI and/or ePHI, including whether it can be demonstrated that there is a low probability that PHI and/or ePHI has been compromised based on a risk assessment of at least four (4) factors specified in Section 1.B(1) defining Breach; and
 - c) Whether the incident falls under one of the Breach exceptions.
- (3) Provide the completed risk assessment and investigation documentation to IEHP's Compliance Department within seven (7) calendar days of Discovery of the potential Breach, and collaborate with IEHP on making a decision on whether a Breach has occurred.
 - i. If a Breach has not occurred, notification to patient/client(s) is not required;
 - ii. If a Breach has occurred, notification to the patient/client(s) is required and Business Associate must provide IEHP with affected patient/client(s) names and contact information so that IEHP can provide notification.
- (4) For Breaches or Security Incidents involving Medi-Cal PHI, Business Associate shall commence investigations immediately and work with IEHP to submit a "DHCS Privacy Incident Report" within 72 hours of discovery with the information known at the time. Within ten (10) working days of the discovery of the Breach or unauthorized use or disclosure, Business Associate shall work with IEHP to provide a complete report of the investigation to DHCS, which shall include (i) an assessment of all known

factors relevant to a determination of whether a Breach occurred under applicable provisions of HIPAA, the HITECH Act, the HIPAA regulations and/or state law; and (ii) a corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If DHCS requests additional information to that listed on the “DHCS Privacy Incident Report” form, Business Associate shall make reasonable efforts to provide DHCS with such information.

- (5) For Breaches or Security Incidents involving Covered California PHI/PII, Business Associate shall cooperate with Covered California and IEHP in investigating the Breach and/or successful Security Incident involving PHI and/or Personally Identifiable Information and in meeting Covered California’s obligations, if any, under applicable State and federal security breach notification laws, regulatory obligations, or agency requirements. If the cause of the Breach or the successful Security Incident involving PHI and/or Personally Identifiable Information is attributable to Business Associate, Business Associate shall be responsible for Breach notifications and reporting as required under applicable federal and State laws, regulations, and agency guidance. Such notification(s) and required reporting shall be done in cooperation with Covered California and IEHP.
- (6) Make available to IEHP or governing State and Federal agencies in a time and manner designated by such agencies, any policies, procedures, internal practices and records relating to a potential Breach for the purposes of audit; cooperate with IEHP should IEHP elect to conduct its own such investigation and analysis.
- (7) Should the Breach of Unsecured PHI be caused solely by Business Associate’s failure to comply with one or more of its obligations under this BAA, Privacy Rule, Security Rule and/or HITECH Provisions, Business Associate shall pay for any and all costs associated with providing all legally required notifications to individuals, media outlets and the Secretary.
- (8) Should the Breach of Unsecured PHI involve more than 500 residents of a single State or jurisdiction, Business Associate shall provide to IEHP, no later than the Notice Date, the information necessary for IEHP to prepare the notice to media outlets as set forth in 45 C.F.R. § 164.406.
- (9) Should the Breach of Unsecured PHI involve 500 or more individuals, Business Associate shall provide to IEHP, no later than the Notice Date, the information necessary for IEHP to prepare the notice to the Secretary as set forth in 45 C.F.R. § 164.408.
- (10) Should the Breach of Unsecured PHI involve less than 500 individuals, Business Associate shall maintain a log of such Breaches and provide such

log to IEHP, for submission to the Secretary, on an annual basis and not later than forty-five (45) days after the end of each calendar year.

- N. Monitoring. Business Associate shall comply with all monitoring provisions of this Agreement and any monitoring requests by DHCS. Business Associate shall implement policies and procedures to conduct routine auditing and monitoring of its systems and controls to monitor safeguards implemented to protect PHI are effective.
- O. Audit Rights. Business Associate shall comply with auditing and/or monitoring requests issued by IEHP. Business Associate shall make facilities internal practices, systems, books, and records including policies and procedures, relating to the use, access, disclosure, and privacy protection of PHI received from IEHP, or created or received by Business Associate on behalf of IEHP, available to the IEHP, for purposes of determining, investigating or auditing Business Associate's, IEHP's, and/or IEHP's regulatory agencies compliance with the Privacy and Security Rules and/or HITECH, subject to any applicable legal restrictions.

P. General Security Controls.

- (1) Confidentiality Statement. All persons that will be working with DHCS PHI or PI must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the workforce member prior to access to DHCS PHI or PI. The statement must be renewed annually. The Contractor shall retain each person's written confidentiality statement for DHCS inspection for a period of ten (10) years following contract termination.
- (2) Background Check. Before a member of the workforce may access DHCS PHI or PI, a thorough background check of that worker must be conducted, with evaluation of the results to assure that there is no indication that the worker may present a risk to the security or integrity of confidential data or a risk for theft or misuse of confidential data. The Contractor shall retain each workforce member's background check documentation for a period of three (3) years following contract termination.
- (3) Transmission and Storage. The most current industry standards for transmission and storage of PHI and other confidential information must be used.
- (4) Workstation/Laptop encryption. All workstations and laptops that process and/or store DHCS PHI or PI must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as Advanced Encryption Standard (AES). The encryption solution must be full disk unless approved by the DHCS Information Security Office.

- (5) Minimum Necessary. Only the minimum necessary amount of DHCS PHI or PI required to perform necessary business functions may be copied, downloaded, or exported.
- (6) Removable media devices. All electronic files that contain DHCS PHI or PI data must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, Blackberry, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES.
- (7) Email Security. All emails that include DHCS PHI must be sent in a FIPS 140-2 compliant encryption method using a DHCS approved solution or a solution using a vendor product specific on the CSSI.
- (8) Antivirus software. All workstations, laptops and other systems that process and/or store DHCS PHI or PI must install and actively use comprehensive anti-virus software solution from a commercial third-party with automatic updates scheduled at least daily.
- (9) Patch Management. All workstations, laptops and other systems that process and/or store DHCS PHI or PI must have critical security patches applied, with system reboot if necessary. There must be a documented patch management process which determines installation timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable patches must be installed within 30 days of vendor release.
- (10) User IDs and Password Controls. All users must be issued a unique user name for accessing DHCS PHI or PI. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password, at maximum within 24 hours. Business Associate shall immediately notify IEHP via e-mail through an e-mail address provided by IEHP once any such employees, sub-contractors, agents or other such individuals are no longer employed or retained by Business Associate. Passwords are not to be shared. Passwords must be at least eight characters and must be a non-dictionary word. Passwords must not be stored in readable format on the computer. Passwords must be changed every 90 days, preferably every 60 days. Passwords must be changed if revealed or compromised. Passwords must be composed of characters from at least three of the following four groups from the standard keyboard:
 - a) Upper case letters (A-Z)
 - b) Lower case letters (a-z)

c) Arabic numerals (0-9)

d) Non- alphanumeric characters (punctuation symbols)

(11) Data Destruction. When no longer needed, all DHCS PHI or PI must be wiped using the Gutmann or US Department of Defense (DOD) 5220.22-M (7 Pass) standard, or by degaussing. Media may also be physically destroyed in accordance with NIST Special Publication 800-88. Other methods require prior written permission of the DHCS Information Security Office.

(12) Remote Access. Any remote access to DHCS PHI must be executed over an encrypted method approved by DHCS or using a vendor produce specified on the CSSI. All remote access must be limited to minimum necessary and least privilege principles.

(13) Incident Response Plan. Develop an incident plan which can be exercised and implemented to respond to internal and external security threats and violations.

Q. System Security Controls.

(1) System Timeout. The system providing access to DHCS PHI or PI must provide an automatic timeout, requiring re-authentication of the user session after no more than 20 minutes of inactivity.

(2) Warning Banners. All systems providing access to DHCS PHI or PI must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only by authorized users. User must be directed to log off the system if they do not agree with these requirements.

(3) System Logging. The system must maintain an automated audit trail which can identify the user or system process which initiates a request for DHCS PHI or PI, or which alters DHCS PHI or PI. The audit trail must be date and time stamped, must log both successful and failed accesses, must be read only, and must be restricted to authorized users. If DHCS PHI or PI is stored in a database, database logging functionality must be enabled. Audit trail data must be archived for at least 3 years after occurrence.

(4) Access Controls. The system providing access to DHCS PHI or PI must use role based access controls for all user authentications, enforcing the principle of least privilege.

- (5) Transmission encryption. All data transmissions of DHCS PHI or PI outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files containing PHI can be encrypted. This requirement pertains to any type of PHI or PI in motion such as website access, file transfer, and E-Mail.
- (6) Intrusion Detection. All systems involved in accessing, holding, transporting, and protecting DHCS PHI or PI that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.

R. Audit Controls.

- (1) System Security Review. All systems processing and/or storing DHCS PHI or PI must have at least an annual system risk assessment/security review which provides assurance that administrative, physical, and technical controls are functioning effectively and providing adequate levels of protection. Reviews should include vulnerability scanning tools.
- (2) Log Reviews. All systems processing and/or storing DHCS PHI or PI must have a routine procedure in place to review system logs for unauthorized access. Logs must be maintained for ten (10) years after the occurrence.
- (3) Change Control. All systems processing and/or storing DHCS PHI or PI must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

S. Business Continuity/Disaster Recovery Controls.

- (1) Emergency Mode Operation Plan. Contractor must establish a documented plan to enable continuation of critical business processes and protection of the security of electronic DHCS PHI or PI in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than 24 hours.
- (2) Data Backup Plan. Contractor must have established documented procedures to backup DHCS PHI to maintain retrievable exact copies of DHCS PHI or PI. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and an estimate of the amount of time needed to restore DHCS PHI or PI should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of DHCS data.

T. Paper Document Controls.

- (1) Supervision of Data. DHCS PHI or PI in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. DHCS PHI or PI in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.
- (2) Escorting Visitors. Visitors to areas where DHCS PHI or PI is contained shall be escorted and DHCS PHI or PI shall be kept out of sight while visitors are in the area.
- (3) Confidential Destruction. DHCS PHI or PI must be disposed of through confidential means, such as cross cut shredding and pulverizing.
- (4) Removal of Data. DHCS PHI or PI must not be removed from the premises of the Contractor except with express written permission of DHCS.
- (5) Faxing. Faxes containing DHCS PHI or PI shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending the fax.
- (6) Mailing. Mailings of DHCS PHI or PI shall be sealed and secured from damage or inappropriate viewing of PHI or PI to the extent possible. Mailings which include 500 or more individually identifiable records of DHCS PHI or PI in a single package shall be sent using a tracked mailing method which includes verification of delivery and receipt, unless the prior written permission of DHCS to use another method is obtained. Disks and other transportable media sent through the mail must be encrypted.

5. ACCESS TO PHI, AMENDMENT AND DISCLOSURE ACCOUNTING

Business Associate agrees to:

- A. Provide access, at the request of IEHP, within five (5) days, to PHI, including ePHI if maintained electronically, in a Designated Record Set, to IEHP, or to an individual or individual's designee as directed by IEHP, as necessary for IEHP to satisfy its obligations under 45 C.F.R. § 164.524.
- B. Make any amendment(s) to PHI in a Designated Record Set that IEHP directs or agrees to, at the request of IEHP or an individual, pursuant to 45 C.F.R. § 164.526, within thirty (30) days of the request of IEHP.

- C. Assist IEHP in meeting its disclosure accounting under HIPAA:
- 1) Business Associate agrees to document such disclosures of PHI and information related to such disclosures, as would be required for IEHP to respond to a request by an individual for an accounting of disclosures of PHI.
 - 2) Business Associate agrees to provide to IEHP, within thirty (30) days, information collected in accordance with this Section to permit IEHP to make an accounting of disclosures of PHI by Business Associate in accordance with 45 C.F.R. § 164.528 and HITECH.
 - 3) Business Associate shall have available for IEHP the information required by this Section for the ten (10) years preceding IEHP's request for information.

6. **TERM AND TERMINATION**

- A. Term. This Agreement shall commence upon the Effective Date and terminate upon the termination of the Underlying Agreement.
- B. Termination for Cause. IEHP may terminate the Underlying Agreement, effective immediately, if IEHP, in its sole discretion, determines that Business Associate has breached a material provision of this Agreement relating to the privacy and/or security of the PHI. Alternatively, IEHP may choose to provide Business Associate with notice of the existence of an alleged material breach and afford Business Associate with an opportunity to cure the alleged material breach. In the event Business Associate fails to cure the breach to the satisfaction of IEHP in a timely manner, IEHP reserves the right to immediately terminate the Underlying Agreement.
- (1) Effect of Termination. Upon termination of the Underlying Agreement, for any reason, Business Associate shall return or destroy all PHI and/or ePHI received from IEHP, or created or received by Business Associate on behalf of IEHP, no later than sixty (60) days after the date of termination. Business Associate shall certify such destruction, in writing, to IEHP. This provision shall apply to all PHI and/or ePHI which is in possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI and/or ePHI.

- (2) Destruction not Feasible. In the event that Business Associate determines that returning or destroying the PHI and/or ePHI is not feasible, Business Associate shall provide written notification to IEHP of the conditions which make such return or destruction not feasible. Upon determination by Business Associate that return or destruction of PHI and/or ePHI is not feasible, Business Associate shall extend the protections, limitations, and restrictions of this Agreement to such PHI and/or ePHI retained by Business Associate, its subcontractors, employees or agents, and to limit further uses and disclosures of such PHI and/or ePHI to those purposes which make the return or destruction not feasible, for so long as such PHI and/or ePHI is maintained.

7. HOLD HARMLESS/INDEMNIFICATION

With respect to the subject matter in this Agreement, the following shall be applicable:

Business Associate shall indemnify and hold harmless IEHP, its respective directors, officers, Governing Board, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Business Associate, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever including fines, penalties or any other costs and resulting from any reason whatsoever arising from the performance of Business Associate, its officers, agents, employees, subcontractors, agents or representatives from this Agreement. Business Associate shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards IEHP, its respective directors, officers, Governing Board, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Business Associate, Business Associate shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of IEHP, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of IEHP; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Business Associate's indemnification to IEHP as set forth herein. Business Associate's obligation to defend, indemnify and hold harmless IEHP shall be subject to IEHP having given Business Associate written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Business Associate's expense, for the defense or settlement thereof. Business Associate's obligation hereunder shall be satisfied when Business Associate has provided to IEHP the appropriate form of dismissal relieving IEHP from any liability for the action or claim involved.

With respect to a Breach or other non-permitted use or disclosure of PHI or PII of a Covered California member by Business Associate, Business Associate shall additionally indemnify, hold harmless, and defend Covered California from and against any and all costs (including mailing, labor, administrative costs, vendor charges, and any other costs Covered California determines to be reasonable), losses, penalties, fines, and liabilities arising from or due to a Breach or other non-permitted use or disclosure of PHI and/or Personally Identifiable Information by Business Associate or its Subcontractors or agents, including, without limitation, (1) damages resulting from any action under applicable (a) HIPAA Requirements, (b) the Qualified Health Plan Contract requirements, or (c) California law, and (2) the costs of Covered California's actions taken to: (a) notify the affected Individual(s) and other entities of and to respond to the Breach; (b) mitigate harm to the affected Individual(s); and (c) respond to questions or requests for information about the Breach or other impermissible use or disclosure of PHI and/or Personally Identifiable Information.

The specified insurance limits required in the Underlying Agreement shall in no way limit or circumscribe Business Associate's obligations to indemnify and hold harmless IEHP herein from third party claims arising from the issues of this Agreement.

In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement, this indemnification shall only apply to the subject issues included within this Agreement.

8. GENERAL PROVISIONS

- A. Medi-Cal Requirements. As a condition of obtaining access to PHI of IEHP relating to Medi-Cal Members, Business Associate acknowledges receipt of a copy of Exhibit G of the contract between IEHP and DHCS (which can also be found at: <https://www.dhcs.ca.gov/provgovpart/Documents/Two-Plan-CCI-Final-Rule-Boilerplate.pdf>), and agrees to the terms and conditions therein with respect to such PHI.
- B. Amendment. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for IEHP to comply with the Privacy Rule, Security Rule, HITECH, and HIPAA generally.
- C. Survival. Notwithstanding Section 6.A of this Agreement, the respective rights and obligations of this Agreement shall survive the termination or expiration of this Agreement.
- D. Regulatory References. A reference in this Agreement to a section in the Privacy Rule, Security Rule, and/or HITECH means the section(s) as in effect or as amended.
- E. Interpretation. This Attachment shall be construed to be a part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of HIPAA and HITECH. Any ambiguity in this Agreement and the Underlying Agreement shall be resolved to permit IEHP to comply with the Privacy Rule, Security Rule, HITECH, and HIPAA generally.
- F. Remedies. Business Associate agrees that IEHP shall be entitled to seek immediate injunctive relief as well as to exercise all other rights and remedies which IEHP may have at law or in equity in the event of an unauthorized use, access, or disclosure of PHI by Business Associate or any agent or subcontractor of Business Associate that received PHI from Business Associate.
- G. No Third-Party Beneficiaries. Nothing in this Agreement is intended to or shall confer, upon any third person any rights or remedies whatsoever.
- H. Ownership. The PHI shall be and remain the property of IEHP. Business Associate agrees that it acquires no title or rights to the PHI.
- I. Headings. Paragraph headings contained in this Agreement are for convenience only and shall not be interpreted to limit or otherwise affect the provisions of this Agreement.

- J. Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself and its employees and use all due diligence to make any subcontractors, employees or agents assisting Business Associate in the performance of its obligations under this Agreement, available to DHCS at no cost to DHCS to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against DHCS, its directors, officers or employees based upon claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inactions or actions by the Business Associate, except where Business Associate or its subcontractor, employee or agent is a named adverse party.

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

February 10, 2026

FROM

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

SUBJECT

Data Use Agreement for Supportive Services at Desert Haven Apartments

RECOMMENDATION(S)

1. Approve a data use agreement, effective March 24, 2026, between the Housing Authority of the County of San Bernardino, Inland Empire Health Plan, San Bernardino County Department of Behavioral Health, Valley Star Behavioral Health, Inc., Step Up on Second Street, Inc., and Inland Housing Solutions for the permanent supportive housing development, Desert Haven Apartments, for a five-year term through October 31, 2030.
2. Authorize and direct the Executive Director to execute and deliver the agreement to Inland Empire Health Plan, San Bernardino County Department of Behavioral Health, Valley Star Behavioral Health, Inc., Step Up on Second Street, Inc., and Inland Housing Solutions and, upon consultation with Legal Counsel, to approve any non-substantive revision necessary to complete the transaction.

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

STRATEGIC PLAN ALIGNMENT

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

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

FINANCIAL IMPACT

Approval of the proposed non-financial agreement will not result in a financial impact to the Housing Authority of the County of San Bernardino (HACSB).

BACKGROUND INFORMATION

In September 2021, HACSB opened its second permanent supportive housing development, Desert Haven Apartments, in the City of Victorville, CA. Desert Haven Apartments is a 31-unit apartment community for housing chronically homeless individuals from San Bernardino County. In addition to creating a quality living space, the purpose of this development is also to provide extended supportive services on-site, to better serve the needs of the residents. HACSB has developed partnerships with Inland Empire Health Plan (IEHP), County of San Bernardino Department of Behavioral Health, Valley Star Behavioral Health, Inc., Step Up on Second Street, Inc., and Inland Housing Solutions to deliver ongoing supportive services to the residents at this property. These services are provided at no-cost to HACSB. Approval of this agreement will allow the mutual partners to continue to access certain protected health information for the purpose of providing housing units, intensive case management and community health services for residents.

PROCUREMENT

Not applicable

ITEM ATTACHMENTS

- Contract – Data Use Agreement for Desert Haven Apartments

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 22, 2026.

DATA USE AGREEMENT
BETWEEN
INLAND EMPIRE HEALTH PLAN
AND
HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO
AND
SAN BERNARDINO COUNTY
AND
VALLEY STAR BEHAVIORAL HEALTH, INC.
AND
STEP UP ON SECOND STREET, INC.
AND
INLAND HOUSING SOLUTIONS
FOR
DESERT HAVEN APARTMENTS

This Data Use Agreement (“Agreement”) is made effective upon execution (March 24, 2026) by and between Inland Empire Health Plan (“IEHP” or “Covered Entity”), a local public entity of the State of California and Housing Authority of the County of San Bernardino, San Bernardino County Department of Behavioral Health, Valley Star Behavioral Health, Inc., Step Up on Second Street, Inc., and Inland Housing Solutions (collectively, “Recipient”). Either party may be referred to individually as the “Party” or collectively as “the Parties.”

WHEREAS, IEHP possesses certain data, including Protected Health Information (PHI) and/or electronic Protected Health Information (ePHI) as defined under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), and desires to share such data with Recipient(s) for the purpose providing housing units, intensive case management, and community health services for qualified IEHP Members at Desert Haven Apartments (the “Project”); and

WHEREAS, the Parties recognize the importance of protecting the privacy and security of the data to be shared, and wish to comply with all applicable federal, state, and local laws and

regulations, including but not limited to HIPAA, the HIPAA Privacy, Security, Breach Notification, and Enforcement Rules (45 CFR Parts 160 and 164), the California Confidentiality of Medical Information Act (“CMIA”), and any other applicable privacy laws;

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

1. Definitions. Unless otherwise specified in this Agreement, all capitalized terms have the same meanings as set forth in the HIPAA Regulations, as amended from time to time.
2. Responsibilities of Recipient. Recipient agrees to:
 - a. Not use or further disclose the PHI or ePHI other than as permitted by this Agreement or as otherwise required by law;
 - b. Use appropriate safeguards to prevent use or disclosure of the information in the PHI or ePHI other than as provided for by this Agreement;
 - c. Report to IEHP any use or disclosure of the information in the PHI or ePHI not provided for by this Agreement of which it becomes aware;
 - d. Ensure that any agents or subcontractors to whom it provides the PHI or ePHI agree to the same restrictions and conditions that apply to Recipient with respect to such information; and
 - e. Comply with all applicable requirements of HIPAA and abide by the terms of the Business Associate Agreement (“BAA”) attached hereto as Attachment A and incorporated herein by reference, to the extent Recipient is acting as a Business Associate of IEHP, a Covered Entity under HIPAA.
 - f. Comply with all relevant Federal and State laws and regulations, including, but not limited to those listed below, inclusive of future revisions, and comply with all applicable provisions of:
 - i. Welfare and Institution Code 5328 et seq.,
 - ii. Welfare and Institution Code 14100.2,
 - iii. Title 22, California Code of Regulations Section 51009, and
 - iv. Code of Federal Regulations, Title 42, Part 2.
3. Permitted Uses and Disclosures of the PHI or ePHI.
 - a. Except as otherwise specified herein, Recipient may use and/or disclose the PHI or ePHI necessary for the Project or as required by law.
 - b. Recipient shall receive or have access to only the following types of confidential PHI or ePHI from IEHP:
 - i. Identifying information on all active IEHP Members living at Desert Haven Apartments, including Member ID numbers, names, and dates of birth.
 - ii. Select information from Member health records subject to IEHP approval, including Member Primary Care Physicians (“PCP”), open referrals, prior utilization data, and prescription medications.

- c. Recipient understands that this Agreement does not authorize the Recipient to have greater rights to use or disclose the information than that which is granted to IEHP pursuant to the HIPAA Regulations.
- d. Recipient has designated the following individual(s) and/or classes of individuals, who are permitted to use or receive the PHI or ePHI for purposes of the Project: ***Interdisciplinary Care Team providing case management to individuals housed at Desert Haven Apartments.*** To the extent the classes of individuals are not part of Recipient's workforce who are directly involved in the Project, Recipient shall enter into a data use agreement, including the attached Business Associate Agreement, that complies with the HIPAA Regulations, prior to the release of the PHI or ePHI with the other classes of individuals.
- e. Recipient shall use the above described PHI or ePHI for purposes of the Project only.

4. Term and Termination.

- a. Term. The term of this Agreement shall commence as of March 24, 2026, and terminate on October 31, 2030. Upon termination of this Agreement, Recipient(s) agrees to immediately furnish to IEHP all data, including PHI and ePHI, received under this Agreement.
- b. Termination for Convenience. Either Party may terminate this Agreement, for convenience upon thirty (30) days' written notice.
- c. Termination for Breach. Upon IEHP's knowledge of a pattern or practice that constitutes a material breach of this Agreement by Recipient, IEHP may immediately and unilaterally terminate this Agreement. Alternatively, IEHP may provide an opportunity for Recipient to cure the breach or end the violation. If such efforts are not successful within the reasonable time period specified by IEHP, or if IEHP determines that cure of the breach is not possible, IEHP shall immediately discontinue disclosure of the PHI or ePHI to Recipient and report the problem to the Secretary of the Department of Health and Human Services or its designee.

- 5. Indemnification. Each Party agrees to indemnify, defend (with counsel approved by the other Party) and hold harmless the other Parties ("Indemnitees") and their authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Agreement, but only to the extent actually caused by the negligent acts, errors or omissions of the indemnifying Party and its authorized officers, employees, agents, and volunteers, and for any costs or expenses incurred by Indemnitees on account of any claim except where such indemnification is prohibited by law.

If the Parties are determined to be comparatively at fault for any claim, action, loss, or damage which results from their respective obligations under this Agreement, each Party shall indemnify the others to the extent of its comparative fault as determined in a legal action.

- 6. Insurance. Each Party is an authorized self-insured or partially self-insured public entities for purposes of Professional Liability, General Liability, Automobile Liability and Worker's Compensation and warrant that through their respective programs of self-insurance and

insurance, they have adequate coverage or resources to protect against liabilities arising out of performance of the terms, conditions or obligations of this Agreement.

7. Notice. All correspondence and notices required or contemplated by this Agreement shall be delivered at the addresses set forth below, and are deemed submitted two (2) days after their deposit in the United States mail, postage prepaid:

IEHP

Edward Juhn, MD, MBA, MPH
Chief Medical Officer for
Jarrod McNaughton, MBA, FACHE
Chief Executive Officer
IEHP
10801 Sixth Street
Rancho Cucamonga, CA 91730
(909) 890-2000
Juhn-E@iehp.org

HOUSING AUTHORITY OF THE
COUNTY OF SAN BERNARDINO:

Maria Razo
Executive Director
Housing Authority of the County of San
Bernardino
715 East Brier Drive
San Bernardino, CA 92408
(909) 890-0644
mgrazo@hacsb.com

VALLEY STAR BEHAVIORAL
HEALTH:

Robert Lopez, LCSW
Senior Administrator
Valley Star Behavioral Health
12188 Hesperia
Victorville, CA 92395
(760) 477-2199
roblopez@starsinc.com

INLAND HOUSING SOLUTIONS

Carmen Rascon
Housing Director
Inland Housing Solutions
P.O. Box 239
Loma Linda, CA 92354
(909) 796-6381, ext. 106
carmen@inlandhousingsolutions.org

SAN BERNARDINO COUNTY
DEPARTMENT OF BEHAVIORAL
HEALTH:

Georgina Yoshioka, DSW, MBA, LCSW
Director
San Bernardino County Department of
Behavioral Health:
303 E. Vanderbilt Way
San Bernardino, CA 92415
(909) 252-5142
Georgina.Yoshioka@dbh.sbcounty.gov

STEP UP ON SECOND STREET, INC.

Tod Lipka
President and CEO
Step Up on Second Street, Inc.
1329 2nd Street
Santa Monica, CA 90401
(310) 394-6883
tlipka@stepup.org

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

8. General Provisions.

- a. Construction of Terms. The terms of this Agreement shall be construed to give effect to applicable federal interpretative guidance regarding the HIPAA Regulations. A reference in this Agreement to a section in the HIPAA Regulations means the section(s) as in effect or as amended.
- b. No Third-Party Beneficiaries. Nothing in this Agreement shall confer upon any person other than the Parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- c. Independent Contractors. The Parties are independent contractors. Neither Party has the power or authority to act on behalf of the other Party as its agent. Nothing in this Agreement shall be construed to make the Parties hereto partners, joint venturers, or agents of or with each other, nor shall either Party so represent itself.
- d. Amendment. This Agreement shall not be amended or assigned by either Party without the prior written consent of the other. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for the Parties to comply with HIPAA Regulations.
- e. Law and Venue. This Agreement shall be governed by the laws of California, without regard to its principles of conflicts of law. All actions and proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the state or federal courts located in the counties of San Bernardino or Riverside, State of California.
- f. Entire Agreement/Severability. This Agreement constitutes the entire agreement between IEHP and Recipient, and supersedes all other prior and contemporaneous agreements, understandings, and commitments between them, relating to the subject matter hereof. The invalidity of any provision of this Agreement shall not affect the validity of the remaining provisions, and this Agreement shall be construed as if such invalid provision had been omitted.
- g. Expense of Performance. Each Party shall bear its own expenses as to the sharing of data unless otherwise specified in this Agreement.
- h. Survival. Unless otherwise provided herein, the rights and obligations of any Party which by their nature extend beyond the expiration or termination of this Agreement, shall continue in full force and effect, notwithstanding the expiration or termination of this Agreement.
- i. Remedies. IEHP shall be entitled to seek immediate injunctive relief as well as to exercise all other rights and remedies IEHP may have at law or in equity in the event of an unauthorized use, access, or disclosure of the PHI or ePHI by Recipient or any agent or subcontractor of Recipient that received information from Recipient. Recipient hereby waives any requirement that IEHP post any bond or other security in the event any injunctive or equitable relief is sought by IEHP.
- j. Ownership. The PHI or ePHI shall be and remain the property of IEHP. Recipient agrees that it acquires no title or rights to the PHI or ePHI.

k. Public Statements; Publicity; Publications; Work Product; Intellectual Property.

- i. **Publicity and Public Statements.** Without IEHP's prior written consent, Recipient shall not issue any press release, public announcement, marketing, promotional, or social media communication; publish, present, disseminate, or otherwise publicly disclose any information concerning this Agreement, the Parties' relationship, the Project or Services, any data shared or compiled under this Agreement, or analyses, results, or outcomes generated hereunder (including any pilot, proof-of-concept, or evaluation results); and shall not use or display IEHP's name, trade name, trademarks, service marks, logos, or other identifiers, or refer to IEHP as a client, partner, or reference. Recipient shall submit any permitted disclosure to IEHP for review and written approval at least thirty (30) days in advance, and IEHP may require edits, redactions, or disclaimers as a condition of approval. If Recipient is legally required to make a public disclosure, Recipient shall, to the extent lawful, provide IEHP with prompt prior written notice and reasonably cooperate to limit the disclosure and seek confidential treatment. Recipient may disclose on a need-to-know basis to its affiliates, professional advisors, and potential investors, lenders, or acquirers under written confidentiality obligations no less protective than those herein. Nothing in this Section grants any license or publicity rights in IEHP's name or marks. This Section supplements the Parties' confidentiality obligations and survives expiration or termination. IEHP shall be entitled to injunctive relief for any actual or threatened breach of this Section, without the requirement to post bond.
- ii. **Publications and Academic/Program Evaluations.** Recipient shall not publish or present any report, paper, poster, presentation, or other publication based on data, information, or work product shared or compiled under this Agreement without IEHP's prior written consent. Any permitted publication shall comply with HIPAA, CMIA, 42 C.F.R. Part 2, and other applicable privacy laws; use only de-identified information unless otherwise expressly authorized; and include disclaimers requested by IEHP. This subsection does not restrict disclosures required by law, including the California Public Records Act (CPRA), provided that Recipient complies with subsection A and uses reasonable efforts to notify IEHP and seek confidential treatment to the extent permitted.
- iii. **Work Product and Ownership.** All work product created by Recipient under or in connection with this Agreement on behalf of IEHP—including reports, findings, analyses, documents, compilations, aggregated datasets, and derivative works of IEHP Data—shall be IEHP's property and, upon expiration or termination, shall be transmitted to IEHP in accordance with this Agreement. Ownership of PHI/ePHI remains as set forth elsewhere in this Agreement.

- iv. **Background and Embedded Intellectual Property.** As between the Parties, no Party assigns or transfers ownership of pre-existing intellectual property, methodologies, processes, know-how, templates, tools, or models (“Background IP”). To the extent any Recipient Background IP is contained in any data, information, or work product shared or compiled under this Agreement, Recipient grants IEHP a paid-up, royalty-free, nonexclusive, perpetual license to use and reproduce such Recipient Background IP solely for IEHP’s internal business operations in connection with the Project. Nothing herein grants Recipient any license, right, or interest in IEHP’s name, trademarks, or other intellectual property.
- v. **Survival.** The obligations in this Section survive expiration or termination of this Agreement.
- l. **Headings.** Paragraph headings contained in this Agreement are for convenience only and shall not be interpreted to limit or otherwise affect the provisions of this Agreement.
- m. **Counterparts/Signatures.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties’ faxed signatures, and/or signatures scanned into PDF format, shall be effective to bind them to this Agreement.
- n. **Authority.** The Parties certify that the individuals signing below have the proper authority to execute this Agreement on behalf of the Parties.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereby execute this Agreement.

SAN BERNARDINO COUNTY

►

Dawn Rowe, Chair, Board of Supervisors

Dated: _____

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

Lynna Monell
Clerk of the Board of Supervisors
San Bernardino County

By _____
Deputy

Attest: _____
Secretary, IEHP Governing Board

Date: _____

By: _____
Chair, IEHP Governing Board

Date: _____

Inland Empire Health Plan

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

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

Edward Juhn

Name _____
(Print or type name of person signing contract)

Title Chief Medical Officer

(Print or Type)

Dated: _____

Address 10801 Sixth Street
Rancho Cucamonga, CA 91730

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

By: _____
Maria Razo
Executive Director

Date: _____

INLAND HOUSING SOLUTIONS

By: _____
Carmen Rascon
Housing Director

Date: _____

**VALLEY STAR BEHAVIORAL
HEALTH:**

By: _____
Robert Lopez, LCSW
Senior Administrator

Date: _____

STEP UP ON SECOND STREET, INC.

By: _____
Tod Lipka
President and CEO

Date: _____

ATTACHMENT A

HIPAA BUSINESS ASSOCIATE AGREEMENT

This HIPAA Business Associate Agreement (the “Agreement”) is an Attachment to the Data Use Agreement (the “Underlying Agreement”) between the Inland Empire Health Plan (“IEHP”) and Housing Authority of the County of San Bernardino, San Bernardino County Department of Behavioral Health, Valley Star Behavioral Health, Step Up on Second Street, Inc., Inland Housing Solutions, and Desert Haven Apartments (“Business Associate”) as of the “Effective Date,” of the Underlying Agreement.

RECITALS

WHEREAS, IEHP and Business Associate entered into the Underlying Agreement pursuant to which Business Associate provides services to IEHP, and in conjunction with the provision of such services, certain Protected Health Information (“PHI”) and/or certain electronic Protected Health Information (“ePHI”) may be made available to Business Associate for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), more specifically the regulations found in Title 45, C.F.R., Parts 160 and 164, Subparts A and E (the “Privacy Rule”) and/or 45 C.F.R. Part 164, Subpart C (the “Security Rule”), as may be amended from time to time, which are applicable to the protection of any disclosure or use of PHI and/or ePHI pursuant to the Underlying Agreement; and,

WHEREAS, the provisions of Subtitle D entitled “Privacy” of the Health Information Technology for Economic and Clinical Health Act (“HITECH”) of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, and the implementing regulations adopted thereunder, as may be amended from time to time, impose certain requirements on business associates; and

WHEREAS, the provisions of the California Information Practices Act, more specifically found in California Civil Code sections 1798-1798.98; the Confidentiality of Alcohol and Drug Abuse Patient Records, found in Title 42 C.F.R. Part 2, the California Welfare and Institutions Code section 5328, and the California Health and Safety Code section 11845.5, as may be amended from time to time, which are applicable to the use of certain PHI and/or confidential information; and

WHEREAS, IEHP is a Covered Entity, as defined in the Privacy Rule; and,

WHEREAS, Business Associate, when on behalf of IEHP, creates, receives, maintains or transmits PHI and/or ePHI, is a business associate as defined in the Privacy Rule; and,

WHEREAS, the parties intend to enter into this Agreement to address the requirements of HIPAA, HITECH, Privacy Rule, and Security Rule as they apply to Business Associate as a business

associate of IEHP, including the establishment of permitted and required uses and disclosures (and appropriate limitations and conditions on such uses and disclosures) of PHI and/or ePHI by Business Associate that is created or received in the course of performing services on behalf of IEHP, and to incorporate the business associate obligations set forth in HITECH; and,

WHEREAS, the parties agree that any disclosure or use of PHI and/or ePHI be in compliance with the Privacy Rule, Security Rule, HITECH, or other applicable law;

WHEREAS, IEHP, on behalf of the California Department of Health Care Services (“DHCS”), provides services or arranges, performs, or assists in the performance of functions or activities on behalf of DHCS, and may create, receive, maintain, transmit, aggregate, use or disclose PHI in order to fulfill IEHP’s obligations under DHCS’ contract;

WHEREAS, IEHP, is in contract with Covered California to participate as a Qualified Health Plan (“QHP”) on the California Health Benefit Exchange (“Covered California”);

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. DEFINITIONS

A. Unless otherwise provided in this Agreement, or specifically defined in Paragraph B of this Section 1, the capitalized terms shall have the same meanings as set forth in the Privacy Rule, Security Rule, and/or HITECH, as may be amended from time to time.

B. Specific Definitions:

(1) “Breach,” when used in connection with Unsecured PHI, means, as defined in 45 C.F.R. § 164.402, the acquisition, access, use or disclosure of PHI in a manner not permitted under the Privacy Rule (45 C.F.R. Part 164, Subpart E), which compromises the security or privacy of the PHI. Except as otherwise excluded under 45 C.F.R. § 164.402, such acquisition, access, use or disclosure is presumed to be a Breach unless the Covered Entity or Business Associate, as applicable, demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following factors:

- a) The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;
- b) The unauthorized person who used the PHI or to whom the disclosure was made;
- c) Whether the PHI was actually acquired or viewed; and

- d) The extent to which the risk to PHI has been mitigated.
- (2) “Discovered” means the first day on which such Breach is known to such Covered Entity or Business Associate, respectively, (including any person, other than the individual committing the Breach, that is an employee, officer or other agent of such entity or associate, respectively) or should reasonably have been known to such Covered Entity or Business Associate (or person) to have occurred.
- (3) “Electronic Protected Health Information” (“ePHI”) means, as defined in 45 C.F.R. § 160.103, PHI transmitted by or maintained in electronic media, and for purposes of this Agreement, is limited to the ePHI that Business Associate creates, receives, maintains or transmits on behalf of IEHP.
- (4) “Protected Health Information” (“PHI”) shall generally have the meaning given such term in 45 C.F.R. § 160.103, which includes ePHI, and for purposes of this Agreement, is limited to PHI, including ePHI, that Business Associate creates, receives, maintains or transmits on behalf of IEHP.
- (5) “Secretary” means the Secretary of the U.S. Department of Health and Human Services or his/her designee.
- (6) “Subcontractor” means a person to whom a business associate delegates a function, activity, or service other than in the capacity of a member of the workforce of such business associate.
- (7) “Unsecured PHI” means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by the Secretary in the guidance issued under 42 U.S.C. § 17932(h)(2).

2. SCOPE OF USE AND DISCLOSURE BY BUSINESS ASSOCIATE OF PHI AND/OR EPHI

- A. Business Associate shall be permitted to use PHI and/or ePHI disclosed to it by IEHP:
 - 1) On behalf of IEHP, or to provide services to IEHP for the purposes contained herein, if such use or disclosure would not violate the Privacy Rule, Security Rule, and/or HITECH.

- 2) As necessary to perform any and all of its obligations under the Underlying Agreement.
- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or required by this Agreement or required by law, Business Associate may:
- 1) Use the PHI and/or ePHI in its possession for its proper management and administration and to fulfill any legal obligations.
 - 2) Disclose the PHI and/or ePHI in its possession to a third party for the purpose of Business Associate's proper management and administration or to fulfill any legal responsibilities of Business Associate, only if:
 - i. The disclosure is required by law; or
 - ii. Business Associate obtains written assurances from any person or organization to which Business Associate will disclose such PHI and/or ePHI that the person or organization will:
 - a) Hold such PHI and/or ePHI in confidence and use or further disclose it only for the purpose of which Business Associate disclosed it to the third party, or as required by law; and
 - b) Notify Business Associate of any instances of which it becomes aware in which the confidentiality of the information has been breached.
 - 3) Use the PHI and/or ePHI to provide Data Aggregation services relating to the Health Care Operations of IEHP if authorized by the Underlying Agreement or pursuant to the written request of IEHP.
 - 4) De-identify any and all PHI and/or ePHI of IEHP received by Business Associate under this Agreement provided that the De-identification conforms to the requirements of the Privacy Rule and/or Security Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Business Associate shall not:
- 1) Use or disclose PHI and/or ePHI it receives from IEHP, nor from another business associate of IEHP, except as permitted or required by this Agreement, or as required by law.

- 2) Perform any services (including any and all subcontracted services), which involves creating, receiving, maintaining or transmitting PHI and/or ePHI outside the United States of America.
- 3) Disclose PHI and/or ePHI not authorized by the Underlying Agreement or this Agreement without patient authorization or De-identification of the PHI and/or ePHI as authorized in writing by IEHP.
- 4) Make any disclosure of PHI and/or ePHI that IEHP would be prohibited from making.
- 5) Use or disclose PHI for fundraising or marketing purposes.
- 6) Disclose PHI, except as otherwise required by law, to a health plan for payment or healthcare operations purposes if the individual has requested this restriction, and the PHI solely relates to a health care item or service that is paid in full by the individual or person (other than the health plan) on behalf of the individual (45 C.F.R. § 164.522(a)(1)(vi)).
- 7) Directly or indirectly receive remuneration in exchange for PHI nor engage in any acts that would constitute a Sale of PHI, as defined in 45 C.F.R. § 164.502(a)(5)(ii), except with the prior written consent of IEHP and as permitted by and in compliance with 45 C.F.R. § 164.508(a)(4); however, this prohibition shall not affect payment by IEHP to Business Associate for services provided pursuant to the Underlying Agreement.
- 8) Use or disclose PHI that is Genetic Information for Underwriting Purposes, as those terms are defined in 45 C.F.R. §§ 160.103 and 164.502(a)(5)(i), respectively.
- 9) Divulge the Medi-Cal status of IEHP's Members without DHCS' prior approval except for treatment, payment, and operations, or as required by law.

- D. Business Associate agrees that in any instance where applicable state and/or federal laws and/or regulations are more stringent in their requirements than the provisions of HIPAA and/or HITECH (including but not limited to prohibiting the disclosure of mental health, and/or substance abuse records, the more stringent laws and/or regulations shall control the disclosure of PHI. The Business Associate will treat any violation of such additional protective standards as a breach or security incident. Any provision of this Agreement which is in conflict with current or future applicable Federal or State laws is hereby amended to conform to the provisions of those laws. Such amendment of this Agreement shall be effective on the effective date of the laws necessitating it, and shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties. Business Associate agrees to comply with all applicable California state health information privacy and security laws, including the Confidentiality of Medical Information Act, the California Insurance Information and Privacy Protection Act, and the Information Practices Act.
- E. Business Associate must provide DHCS with a list of external entities, including persons, organizations, and agencies, other than those within its treatment network and other than DHCS, to which it discloses lists of Medi-Cal Member names and addresses. Business Associate must provide DHCS with the list within 30 calendar days of the execution of this Agreement and annually thereafter.

3. **OBLIGATIONS OF IEHP**

- A. Notification of Restrictions to Use or Disclosure of PHI. IEHP agrees that it will make its best efforts to promptly notify Business Associate in writing of any restrictions, limitations, or changes on the use, access and disclosure of PHI and/or ePHI agreed to by IEHP in accordance with 42 U.S.C. § 17935(a), that may affect Business Associate's ability to perform its obligations under the Underlying Agreement, or this Agreement.
- B. Proper Use of PHI. IEHP shall not request Business Associate to use, access, or disclose PHI and/or ePHI in any manner that would not be permissible under the Privacy Rule, Security Rule, and/or HITECH.
- C. Authorizations. IEHP will obtain any authorizations necessary for the use, access, or disclosure of PHI and/or ePHI, so that Business Associate can perform its obligations under this Agreement and/or the Underlying Agreement.
- D. Actions in Response to Business Associate Breach. IEHP shall complete the following in the event that IEHP has determined that Business Associate has a Breach:
 - (1) Determine appropriate method of notification to the patient/client(s) regarding a Breach as outlined in 45 C.F.R. § 164.404(d).

- (2) Send notification to the patient/client(s) without unreasonable delay but in no case later than sixty (60) days of Discovery of the Breach with at least the minimal required elements as follows:
 - a) Brief description of what happened, including the date of the Breach and the date of Discovery;
 - b) Description of the types of Unsecured PHI involved in the Breach (such as name, date of birth, home address, Social Security number, medical insurance, etc.);
 - c) Steps patient/client(s) should take to protect themselves from potential harm resulting from the Breach;
 - d) Brief description of what is being done to investigate the Breach, to mitigate harm to patient/client(s) and to protect against any further Breaches; and
 - e) Contact procedures for patient/client(s) to ask questions or learn additional information, which must include a toll-free telephone number, an E-Mail address, website or postal address.
 - (3) Determine if notice is required to the Secretary and/or DHCS. This notification will be provided by email upon discovery of the breach. If IEHP is unable to provide notification by email, then IEHP shall provide notice by telephone to DHCS.
 - (4) If required, submit Breach information to the Secretary within the required timeframe, in accordance with 45 C.F.R. § 164.408(b).
- E. Contract Violations by Business Associate. Pursuant to 45 C.F.R. § 164.504(e)(1)(ii), if IEHP knows of a pattern of activity or practice of the Business Associate that constitutes a material breach or violation of the Business Associate's obligations under this Agreement, IEHP must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, IEHP shall terminate the Agreement, if feasible.
- F. Identification of Security Official: The Business Associate shall identify the security official who is responsible for the development and implementation of the policies and procedures required by 45 CFR Part 164, Subpart C.

4. **OBLIGATIONS OF BUSINESS ASSOCIATE**

- A. Minimum Necessary. Business Associate shall request, use, access or disclose only the minimum amount of PHI and/or ePHI as permitted or required by this

Agreement and as necessary to accomplish the intended purpose of the request, use, access or disclosure in accordance with the Privacy Rule (45 C.F.R. § 164.502(b)(1)).

- B. Appropriate Safeguards. Business Associate shall use reasonable and appropriate safeguards and comply, where applicable, with the Security Rule with respect to ePHI, to prevent use or disclosure of PHI and/or ePHI other than as provided for by this Agreement. Business Associate shall implement administrative, physical and technical safeguards in accordance with the Security Rule under 45 C.F.R. §§ 164.308, 164.310, 164.312 and 164.316 and be based on applicable Federal Information Processing Standards (FIPS) Publication 199 protection levels:
- (1) Business Associate shall issue and change procedures from time to time to improve electronic data and file security as needed to comply with the measures that may be required by the Privacy Rule or the Security Rule, as applicable, and at all times use an NIST-Approved Technology for all PHI and/or ePHI that is in motion, stored or to be destroyed.
 - (2) Business Associate shall extend such policies and procedures, if applicable, for the protection of physical PHI to prevent, detect, contain and correct security violations, as well as to limit unauthorized physical access to the facility or facilities in which the PHI is housed.
- C. Disclosure. Business Associate is solely responsible for its decisions regarding the safeguarding of PHI and other confidential information.
- D. Mitigation. Business Associate shall have procedures in place to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use, access or disclosure of PHI and/or ePHI by Business Associate in violation of this Agreement.
- E. Access to Records. Business Associate shall make facilities internal practices, systems, books, and records including policies and procedures, relating to the use, access, disclosure, and privacy protection of PHI received from IEHP, or created or received by Business Associate on behalf of IEHP, available to the Secretary and/or DHCS, for purposes of determining, investigating or auditing Business Associate's, IEHP's, and/or DHCS' compliance with the Privacy and Security Rules and/or HITECH, subject to any applicable legal restrictions. Business Associate shall also cooperate with IEHP should IEHP elect to conduct its own such investigation and analysis.
- F. Notification. If Business Associate is the subject of an audit, compliance review, investigation or any proceeding that is related to the performance of its obligations pursuant to this Agreement, or is the subject of any judicial or administrative proceeding alleging a violation of HIPAA, Business Associate shall promptly notify IEHP unless it is legally prohibited from doing so

- G. Carrying Out IEHP's Obligations. To the extent Business Associate is to carry out one or more of IEHP's obligations under the Privacy Rule, Business Associate shall comply with the requirements of the Privacy Rule that applies to IEHP in the performance of such obligations.
- H. In conducting any electronic transaction that is subject to the Electronic Transactions Rule on behalf of IEHP, Business Associate agrees to comply with all applicable requirements of the Electronic Transactions Rule set forth in 45 CFR. Part 162.
- I. Subcontractors. In accordance with 45 C.F.R. §§164.502(e)(1)(ii) and 164.308(b)(2), if applicable, Business Associate shall require Subcontractors that create, receive, maintain or transmit PHI and/or ePHI on behalf of Business Associate, to agree to the same restrictions, conditions and requirements that apply to Business Associate with respect to the PHI and/or ePHI, including the restrictions, conditions and requirements set forth in this Agreement.
- J. Contract Violations by Subcontractors. Pursuant to 45 C.F.R. § 164.504(e)(1)(iii), if Business Associate knows of a pattern of activity or practice of the Subcontractor that constitutes a material breach or violation of the Subcontractor's obligations under the business associate contract between Business Associate and Subcontractor, Business Associate must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, Business Associate shall terminate the business associate contract with the Subcontractor if feasible.
- K. Workforce Training. Business Associate warrants that all workforce members including employees, contractors, temporary staff, volunteers, and interns/students who use, access or disclose PHI and/or ePHI shall be properly trained to comply with Privacy Rule, Security Rule, HITECH, or other such applicable law. Training must be conducted prior to access is granted to PHI and annually thereafter, and include at minimum:
- (1) Definitions of PHI and PII
 - (2) Use and disclosures for PHI
 - (3) How to report privacy concerns/breaches
 - (4) Best practices for safeguarding PHI
 - (5) Enforcement of policies and procedures
- L. Patient Confidentiality Laws and Regulations. Business Associate agrees to obtain and maintain knowledge of the applicable laws and regulations related to HIPAA and HITECH, as may be amended from time to time.

- M. Reporting of Improper Access, Use or Disclosure Breach. Business Associate shall report to IEHP any unauthorized use, access or disclosure of Unsecured PHI and/or ePHI or any other Security Incident with respect to PHI no later than 24 hours after Discovery of the potential Breach (“Notice Date”). With respect to PHI involving Medi-Cal beneficiaries, SSA data, or potential loss of confidential data affecting this Agreement, Business Associate shall report to IEHP any Breach or Security Incident of which Business Associate becomes aware, within 24 hours of discovery. Business Associate shall notify IEHP through the IEHP Compliance Department via telephone to the Compliance Hotline (866) 355-9038, via email to the Compliance Mailbox compliance@iehp.org, or via facsimile to the Compliance Fax (909) 477-8536. Upon Discovery of the potential Breach, Business Associate shall complete the following actions:
- (1) Provide IEHP’s Compliance Department with the information required by 45 C.F.R. §§164.410 and 164.404, which shall include, but not be limited to:
 - a) The identification of each individual (IEHP Members) whose Unsecured PHI has been, or is reasonably believed by Business Associate, to have been accessed, acquired, used or disclosed;
 - b) Date(s) of Breach: MM/DD/YYYY;
 - c) Date(s) of Discovery of Breach: MM/DD/YYYY;
 - d) Approximate number of individuals (IEHP Members) affected by the Breach;
 - e) Type of Breach, i.e., theft, loss, improper disposal, unauthorized access, hacking/IT incident (for additional selections, see U.S. Department of Health & Human Services, Health Information Privacy);
 - f) Location of breached information, i.e., laptop, desktop computer, network server, E-Mail, other portable electronic device (see U.S. Department of Health & Human Services, Health Information Privacy);
 - g) Type of PHI involved in the Breach, i.e., demographic information, financial information, clinical information (see U.S. Department of Health & Human Services, Health Information Privacy);
 - h) Safeguards in place prior to Breach, i.e., firewalls, packet filtering (router-based), encrypted wireless (see U.S. Department of Health & Human Services, Health Information Privacy);

- i) Actions taken in response to Breach, i.e., mitigation, protection against any further Breaches, policies and procedures (see U.S. Department of Health & Human Services, Health Information Privacy); and
 - j) Any steps individuals should take to protect themselves from potential harm resulting from the Breach.
- (2) Conduct and document a risk assessment by investigating, without unreasonable delay and in no case later than five (5) calendar days of Discovery, the potential Breach to determine the following:
 - a) Whether there has been an impermissible use, acquisition, access or disclosure of PHI and/or ePHI under the Privacy Rule;
 - b) Whether an impermissible use or disclosure compromises the security or privacy of the PHI and/or ePHI, including whether it can be demonstrated that there is a low probability that PHI and/or ePHI has been compromised based on a risk assessment of at least four (4) factors specified in Section 1.B(1) defining Breach; and
 - c) Whether the incident falls under one of the Breach exceptions.
- (3) Provide the completed risk assessment and investigation documentation to IEHP's Compliance Department within seven (7) calendar days of Discovery of the potential Breach, and collaborate with IEHP on making a decision on whether a Breach has occurred.
 - i. If a Breach has not occurred, notification to patient/client(s) is not required;
 - ii. If a Breach has occurred, notification to the patient/client(s) is required and Business Associate must provide IEHP with affected patient/client(s) names and contact information so that IEHP can provide notification.
- (4) For Breaches or Security Incidents involving Medi-Cal PHI, Business Associate shall commence investigations immediately and work with IEHP to submit a "DHCS Privacy Incident Report" within 72 hours of discovery with the information known at the time. Within ten (10) working days of the discovery of the Breach or unauthorized use or disclosure, Business Associate shall work with IEHP to provide a complete report of the investigation to DHCS, which shall include (i) an assessment of all known

factors relevant to a determination of whether a Breach occurred under applicable provisions of HIPAA, the HITECH Act, the HIPAA regulations and/or state law; and (ii) a corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If DHCS requests additional information to that listed on the “DHCS Privacy Incident Report” form, Business Associate shall make reasonable efforts to provide DHCS with such information.

- (5) For Breaches or Security Incidents involving Covered California PHI/PII, Business Associate shall cooperate with Covered California and IEHP in investigating the Breach and/or successful Security Incident involving PHI and/or Personally Identifiable Information and in meeting Covered California’s obligations, if any, under applicable State and federal security breach notification laws, regulatory obligations, or agency requirements. If the cause of the Breach or the successful Security Incident involving PHI and/or Personally Identifiable Information is attributable to Business Associate, Business Associate shall be responsible for Breach notifications and reporting as required under applicable federal and State laws, regulations, and agency guidance. Such notification(s) and required reporting shall be done in cooperation with Covered California and IEHP.
- (6) Make available to IEHP or governing State and Federal agencies in a time and manner designated by such agencies, any policies, procedures, internal practices and records relating to a potential Breach for the purposes of audit; cooperate with IEHP should IEHP elect to conduct its own such investigation and analysis.
- (7) Should the Breach of Unsecured PHI be caused solely by Business Associate’s failure to comply with one or more of its obligations under this BAA, Privacy Rule, Security Rule and/or HITECH Provisions, Business Associate shall pay for any and all costs associated with providing all legally required notifications to individuals, media outlets and the Secretary.
- (8) Should the Breach of Unsecured PHI involve more than 500 residents of a single State or jurisdiction, Business Associate shall provide to IEHP, no later than the Notice Date, the information necessary for IEHP to prepare the notice to media outlets as set forth in 45 C.F.R. § 164.406.
- (9) Should the Breach of Unsecured PHI involve 500 or more individuals, Business Associate shall provide to IEHP, no later than the Notice Date, the information necessary for IEHP to prepare the notice to the Secretary as set forth in 45 C.F.R. § 164.408.
- (10) Should the Breach of Unsecured PHI involve less than 500 individuals, Business Associate shall maintain a log of such Breaches and provide such

log to IEHP, for submission to the Secretary, on an annual basis and not later than forty-five (45) days after the end of each calendar year.

- N. Monitoring. Business Associate shall comply with all monitoring provisions of this Agreement and any monitoring requests by DHCS. Business Associate shall implement policies and procedures to conduct routine auditing and monitoring of its systems and controls to monitor safeguards implemented to protect PHI are effective.
- O. Audit Rights. Business Associate shall comply with auditing and/or monitoring requests issued by IEHP. Business Associate shall make facilities internal practices, systems, books, and records including policies and procedures, relating to the use, access, disclosure, and privacy protection of PHI received from IEHP, or created or received by Business Associate on behalf of IEHP, available to the IEHP, for purposes of determining, investigating or auditing Business Associate's, IEHP's, and/or IEHP's regulatory agencies compliance with the Privacy and Security Rules and/or HITECH, subject to any applicable legal restrictions.

P. General Security Controls.

- (1) Confidentiality Statement. All persons that will be working with DHCS PHI or PI must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the workforce member prior to access to DHCS PHI or PI. The statement must be renewed annually. The Contractor shall retain each person's written confidentiality statement for DHCS inspection for a period of ten (10) years following contract termination.
- (2) Background Check. Before a member of the workforce may access DHCS PHI or PI, a thorough background check of that worker must be conducted, with evaluation of the results to assure that there is no indication that the worker may present a risk to the security or integrity of confidential data or a risk for theft or misuse of confidential data. The Contractor shall retain each workforce member's background check documentation for a period of three (3) years following contract termination.
- (3) Transmission and Storage. The most current industry standards for transmission and storage of PHI and other confidential information must be used.
- (4) Workstation/Laptop encryption. All workstations and laptops that process and/or store DHCS PHI or PI must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as Advanced Encryption Standard (AES). The encryption solution must be full disk unless approved by the DHCS Information Security Office.

- (5) Minimum Necessary. Only the minimum necessary amount of DHCS PHI or PI required to perform necessary business functions may be copied, downloaded, or exported.
- (6) Removable media devices. All electronic files that contain DHCS PHI or PI data must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, Blackberry, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES.
- (7) Email Security. All emails that include DHCS PHI must be sent in a FIPS 140-2 compliant encryption method using a DHCS approved solution or a solution using a vendor product specific on the CSSI.
- (8) Antivirus software. All workstations, laptops and other systems that process and/or store DHCS PHI or PI must install and actively use comprehensive anti-virus software solution from a commercial third-party with automatic updates scheduled at least daily.
- (9) Patch Management. All workstations, laptops and other systems that process and/or store DHCS PHI or PI must have critical security patches applied, with system reboot if necessary. There must be a documented patch management process which determines installation timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable patches must be installed within 30 days of vendor release.
- (10) User IDs and Password Controls. All users must be issued a unique user name for accessing DHCS PHI or PI. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password, at maximum within 24 hours. Business Associate shall immediately notify IEHP via e-mail through an e-mail address provided by IEHP once any such employees, sub-contractors, agents or other such individuals are no longer employed or retained by Business Associate. Passwords are not to be shared. Passwords must be at least eight characters and must be a non-dictionary word. Passwords must not be stored in readable format on the computer. Passwords must be changed every 90 days, preferably every 60 days. Passwords must be changed if revealed or compromised. Passwords must be composed of characters from at least three of the following four groups from the standard keyboard:
 - a) Upper case letters (A-Z)
 - b) Lower case letters (a-z)

c) Arabic numerals (0-9)

d) Non- alphanumeric characters (punctuation symbols)

(11) Data Destruction. When no longer needed, all DHCS PHI or PI must be wiped using the Gutmann or US Department of Defense (DOD) 5220.22-M (7 Pass) standard, or by degaussing. Media may also be physically destroyed in accordance with NIST Special Publication 800-88. Other methods require prior written permission of the DHCS Information Security Office.

(12) Remote Access. Any remote access to DHCS PHI must be executed over an encrypted method approved by DHCS or using a vendor produce specified on the CSSI. All remote access must be limited to minimum necessary and least privilege principles.

(13) Incident Response Plan. Develop an incident plan which can be exercised and implemented to respond to internal and external security threats and violations.

Q. System Security Controls.

(1) System Timeout. The system providing access to DHCS PHI or PI must provide an automatic timeout, requiring re-authentication of the user session after no more than 20 minutes of inactivity.

(2) Warning Banners. All systems providing access to DHCS PHI or PI must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only by authorized users. User must be directed to log off the system if they do not agree with these requirements.

(3) System Logging. The system must maintain an automated audit trail which can identify the user or system process which initiates a request for DHCS PHI or PI, or which alters DHCS PHI or PI. The audit trail must be date and time stamped, must log both successful and failed accesses, must be read only, and must be restricted to authorized users. If DHCS PHI or PI is stored in a database, database logging functionality must be enabled. Audit trail data must be archived for at least 3 years after occurrence.

(4) Access Controls. The system providing access to DHCS PHI or PI must use role based access controls for all user authentications, enforcing the principle of least privilege.

- (5) Transmission encryption. All data transmissions of DHCS PHI or PI outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files containing PHI can be encrypted. This requirement pertains to any type of PHI or PI in motion such as website access, file transfer, and E-Mail.
- (6) Intrusion Detection. All systems involved in accessing, holding, transporting, and protecting DHCS PHI or PI that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.

R. Audit Controls.

- (1) System Security Review. All systems processing and/or storing DHCS PHI or PI must have at least an annual system risk assessment/security review which provides assurance that administrative, physical, and technical controls are functioning effectively and providing adequate levels of protection. Reviews should include vulnerability scanning tools.
- (2) Log Reviews. All systems processing and/or storing DHCS PHI or PI must have a routine procedure in place to review system logs for unauthorized access. Logs must be maintained for ten (10) years after the occurrence.
- (3) Change Control. All systems processing and/or storing DHCS PHI or PI must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

S. Business Continuity/Disaster Recovery Controls.

- (1) Emergency Mode Operation Plan. Contractor must establish a documented plan to enable continuation of critical business processes and protection of the security of electronic DHCS PHI or PI in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than 24 hours.
- (2) Data Backup Plan. Contractor must have established documented procedures to backup DHCS PHI to maintain retrievable exact copies of DHCS PHI or PI. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and an estimate of the amount of time needed to restore DHCS PHI or PI should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of DHCS data.

T. Paper Document Controls.

- (1) Supervision of Data. DHCS PHI or PI in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. DHCS PHI or PI in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.
- (2) Escorting Visitors. Visitors to areas where DHCS PHI or PI is contained shall be escorted and DHCS PHI or PI shall be kept out of sight while visitors are in the area.
- (3) Confidential Destruction. DHCS PHI or PI must be disposed of through confidential means, such as cross cut shredding and pulverizing.
- (4) Removal of Data. DHCS PHI or PI must not be removed from the premises of the Contractor except with express written permission of DHCS.
- (5) Faxing. Faxes containing DHCS PHI or PI shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending the fax.
- (6) Mailing. Mailings of DHCS PHI or PI shall be sealed and secured from damage or inappropriate viewing of PHI or PI to the extent possible. Mailings which include 500 or more individually identifiable records of DHCS PHI or PI in a single package shall be sent using a tracked mailing method which includes verification of delivery and receipt, unless the prior written permission of DHCS to use another method is obtained. Disks and other transportable media sent through the mail must be encrypted.

5. ACCESS TO PHI, AMENDMENT AND DISCLOSURE ACCOUNTING

Business Associate agrees to:

- A. Provide access, at the request of IEHP, within five (5) days, to PHI, including ePHI if maintained electronically, in a Designated Record Set, to IEHP, or to an individual or individual's designee as directed by IEHP, as necessary for IEHP to satisfy its obligations under 45 C.F.R. § 164.524.
- B. Make any amendment(s) to PHI in a Designated Record Set that IEHP directs or agrees to, at the request of IEHP or an individual, pursuant to 45 C.F.R. § 164.526, within thirty (30) days of the request of IEHP.

- C. Assist IEHP in meeting its disclosure accounting under HIPAA:
- 1) Business Associate agrees to document such disclosures of PHI and information related to such disclosures, as would be required for IEHP to respond to a request by an individual for an accounting of disclosures of PHI.
 - 2) Business Associate agrees to provide to IEHP, within thirty (30) days, information collected in accordance with this Section to permit IEHP to make an accounting of disclosures of PHI by Business Associate in accordance with 45 C.F.R. § 164.528 and HITECH.
 - 3) Business Associate shall have available for IEHP the information required by this Section for the ten (10) years preceding IEHP's request for information.

6. **TERM AND TERMINATION**

- A. Term. This Agreement shall commence upon the Effective Date and terminate upon the termination of the Underlying Agreement.
- B. Termination for Cause. IEHP may terminate the Underlying Agreement, effective immediately, if IEHP, in its sole discretion, determines that Business Associate has breached a material provision of this Agreement relating to the privacy and/or security of the PHI. Alternatively, IEHP may choose to provide Business Associate with notice of the existence of an alleged material breach and afford Business Associate with an opportunity to cure the alleged material breach. In the event Business Associate fails to cure the breach to the satisfaction of IEHP in a timely manner, IEHP reserves the right to immediately terminate the Underlying Agreement.
- (1) Effect of Termination. Upon termination of the Underlying Agreement, for any reason, Business Associate shall return or destroy all PHI and/or ePHI received from IEHP, or created or received by Business Associate on behalf of IEHP, no later than sixty (60) days after the date of termination. Business Associate shall certify such destruction, in writing, to IEHP. This provision shall apply to all PHI and/or ePHI which is in possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI and/or ePHI.

- (2) Destruction not Feasible. In the event that Business Associate determines that returning or destroying the PHI and/or ePHI is not feasible, Business Associate shall provide written notification to IEHP of the conditions which make such return or destruction not feasible. Upon determination by Business Associate that return or destruction of PHI and/or ePHI is not feasible, Business Associate shall extend the protections, limitations, and restrictions of this Agreement to such PHI and/or ePHI retained by Business Associate, its subcontractors, employees or agents, and to limit further uses and disclosures of such PHI and/or ePHI to those purposes which make the return or destruction not feasible, for so long as such PHI and/or ePHI is maintained.

7. HOLD HARMLESS/INDEMNIFICATION

With respect to the subject matter in this Agreement, the following shall be applicable:

Business Associate shall indemnify and hold harmless IEHP, its respective directors, officers, Governing Board, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Business Associate, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever including fines, penalties or any other costs and resulting from any reason whatsoever arising from the performance of Business Associate, its officers, agents, employees, subcontractors, agents or representatives from this Agreement. Business Associate shall defend, at its sole expense, all costs and fees including but not limited to attorney fees, cost of investigation, defense and settlements or awards IEHP, its respective directors, officers, Governing Board, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Business Associate, Business Associate shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of IEHP, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of IEHP; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Business Associate's indemnification to IEHP as set forth herein. Business Associate's obligation to defend, indemnify and hold harmless IEHP shall be subject to IEHP having given Business Associate written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Business Associate's expense, for the defense or settlement thereof. Business Associate's obligation hereunder shall be satisfied when Business Associate has provided to IEHP the appropriate form of dismissal relieving IEHP from any liability for the action or claim involved.

With respect to a Breach or other non-permitted use or disclosure of PHI or PII of a Covered California member by Business Associate, Business Associate shall additionally indemnify, hold harmless, and defend Covered California from and against any and all costs (including mailing, labor, administrative costs, vendor charges, and any other costs Covered California determines to be reasonable), losses, penalties, fines, and liabilities arising from or due to a Breach or other non-permitted use or disclosure of PHI and/or Personally Identifiable Information by Business Associate or its Subcontractors or agents, including, without limitation, (1) damages resulting from any action under applicable (a) HIPAA Requirements, (b) the Qualified Health Plan Contract requirements, or (c) California law, and (2) the costs of Covered California's actions taken to: (a) notify the affected Individual(s) and other entities of and to respond to the Breach; (b) mitigate harm to the affected Individual(s); and (c) respond to questions or requests for information about the Breach or other impermissible use or disclosure of PHI and/or Personally Identifiable Information.

The specified insurance limits required in the Underlying Agreement shall in no way limit or circumscribe Business Associate's obligations to indemnify and hold harmless IEHP herein from third party claims arising from the issues of this Agreement.

In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement, this indemnification shall only apply to the subject issues included within this Agreement.

8. **GENERAL PROVISIONS**

- A. Medi-Cal Requirements. As a condition of obtaining access to PHI of IEHP relating to Medi-Cal Members, Business Associate acknowledges receipt of a copy of Exhibit G of the contract between IEHP and DHCS (which can also be found at: <https://www.dhcs.ca.gov/provgovpart/Documents/Two-Plan-CCI-Final-Rule-Boilerplate.pdf>), and agrees to the terms and conditions therein with respect to such PHI.
- B. Amendment. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for IEHP to comply with the Privacy Rule, Security Rule, HITECH, and HIPAA generally.
- C. Survival. Notwithstanding Section 6.A of this Agreement, the respective rights and obligations of this Agreement shall survive the termination or expiration of this Agreement.
- D. Regulatory References. A reference in this Agreement to a section in the Privacy Rule, Security Rule, and/or HITECH means the section(s) as in effect or as amended.
- E. Interpretation. This Attachment shall be construed to be a part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of HIPAA and HITECH. Any ambiguity in this Agreement and the Underlying Agreement shall be resolved to permit IEHP to comply with the Privacy Rule, Security Rule, HITECH, and HIPAA generally.
- F. Remedies. Business Associate agrees that IEHP shall be entitled to seek immediate injunctive relief as well as to exercise all other rights and remedies which IEHP may have at law or in equity in the event of an unauthorized use, access, or disclosure of PHI by Business Associate or any agent or subcontractor of Business Associate that received PHI from Business Associate.
- G. No Third-Party Beneficiaries. Nothing in this Agreement is intended to or shall confer, upon any third person any rights or remedies whatsoever.
- H. Ownership. The PHI shall be and remain the property of IEHP. Business Associate agrees that it acquires no title or rights to the PHI.
- I. Headings. Paragraph headings contained in this Agreement are for convenience only and shall not be interpreted to limit or otherwise affect the provisions of this Agreement.

- J. Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself and its employees and use all due diligence to make any subcontractors, employees or agents assisting Business Associate in the performance of its obligations under this Agreement, available to DHCS at no cost to DHCS to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against DHCS, its directors, officers or employees based upon claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inactions or actions by the Business Associate, except where Business Associate or its subcontractor, employee or agent is a named adverse party.

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

February 10, 2026

FROM

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

SUBJECT

Meeting Minutes for the Meeting Held on January 13, 2026

RECOMMENDATION(S)

Approve the meeting minutes for the annual meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino held on 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

Approval of this item will not result in a financial impact to the Housing Authority of the County of San Bernardino (HACSB) as there are no financial impacts associated with this item.

BACKGROUND INFORMATION

The HACSB Board of Commissioners (Board) Meeting took place on January 13, 2026. The meeting minutes are attached for review and recommended approval by the Board.

ITEM ATTACHMENTS

- Attachment - Minutes for January 13, 2026 Meeting

PROCUREMENT

Not applicable

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 22, 2026.

**MINUTES OF THE ANNUAL MEETING OF THE BOARD OF COMMISSIONERS OF
THE HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO
January 13, 2026**

The Board of Commissioners of the Housing Authority of the County of San Bernardino met in an annual meeting at the Administration Office, at 715 East Brier Drive, San Bernardino, California at 3:00 p.m. on January 13, 2026.

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 3:05 p.m., and upon roll call, the following were present:

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

Also in attendance were Maria Razo, Executive Director; Rishad Mitha, Deputy Executive Director; Kristin Maithonis, Director of Housing Services; Nicole Beydler, Director of Policy and Communications; Jennifer Dawson, Director of Administrative Services; Jesse Diaz, Director of Business Services; George Silva, Family Empowerment Services Manager; Angie Lardapide, Procurement and Contracts Supervisor; John Moore, Director of Development; Edgar Sedano, Jr. Development Project Manager; Garrett Dalton, Information Technology Manager; Lucy Leslie, Director of Housing Communities; Mayra Small, Housing Services Manager; Vince Wrzalinski, Housing Services Manager; Renee Kangas, Senior Management Analyst; Shamira Shirley, Management Analyst; Armando Salazar, Management Analyst and Cynthia Angulo, Temporary Executive Assistant.

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 January 13, 2026, 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) Selection of 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

Legal Counsel, Fred Galante, announced that the time for nominations for the Chair of the Board was opened. Commissioner Tim Johnson motioned to nominate Beau Cooper. Commissioner Michael Thomas seconded the motion.

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

Ayes

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

Nays

Commissioner Tim Johnson motioned to nominate Cassie MacDuff as the Vice-Chair. Commissioner Sylvia Miller seconded the motion.

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

Ayes

Chair Cooper
Commissioner Johnson
Commissioner Miller
Commissioner Thomas
Commissioner Jain

Nays

5) 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 January 13, 2026.

6) Board Building Presentation

Discussion calendar item number 5, to receive the board building presentation for January 13, 2026, an overview of the Housing Authority of the County of San Bernardino's Waiting Lists, was requested. Housing Services Manager, Mayra Small provided the board building presentation.

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

7) Discussion of the February Retreat of the Board of Commissioners of the Housing Authority of the County of San Bernardino

After discussion, the February Board Retreat was confirmed to be scheduled for 11 a.m. – 2:30 p.m. on Tuesday, February 10, 2026.

8) Discussion of the date of the March Special Meeting of the Board of Commissioners of the Housing Authority of the County of San Bernardino

After discussion, the March Special Meeting of the Board of Commissioners was confirmed to be scheduled for 3 p.m. on Monday, March 16, 2026.

9) Approval of 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

Discussion calendar item number 9, to 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, was requested.

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

Ayes

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

Nays

10) Approval of 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

Discussion calendar item number 10, to 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, was requested.

Commissioner Johnson moved to approve discussion calendar item number 10, 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 Johnson
Commissioner Miller
Commissioner Thomas
Commissioner Jain

Nays

11) Approval of 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

Discussion calendar item number 11, to 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, was requested.

Commissioner Miller moved to approve discussion calendar item number 11, as recommended by staff and Commissioner Jain seconded the motion. Upon roll call vote, the Ayes and Nays were as follows:

Ayes

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

Nays

12) Approval of 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

Discussion calendar item number 12, to 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, was requested.

Commissioner Miller moved to approve discussion calendar item number 12, 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 Johnson
Commissioner Miller
Commissioner Thomas
Commissioner Jain

Nays

13) Approval of 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

Discussion calendar item number 13, to 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, was requested.

Commissioner Miller moved to approve discussion calendar item number 13, 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 Johnson
Commissioner Miller
Commissioner Thomas
Commissioner Jain

Nays

14) Approval of 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

Discussion calendar item number 14, to 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, was requested.

Commissioner Miller moved to approve discussion calendar item number 14, 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 Johnson
Commissioner Miller
Commissioner Thomas
Commissioner Jain

Nays

15, 16, and 17) Consent Calendar

Approval of the consent calendar including agenda items number 9-11 was requested.
Commissioner Johnson moved to approve consent calendar agenda items number 9-11:

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.

16) Approve and file agency-wide financial statements through September 2025.

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.

The motion was duly seconded by Commissioner Thomas. Upon roll call vote, the Ayes and Nays were as follows:

Ayes

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

Nays

There being no other business, Commissioner Johnson motioned for the January 13, 2026, meeting to be adjourned, and which motion was duly seconded by Commissioner Miller. There being no objection to the call for adjournment, the meeting was adjourned by unanimous consent at 4:20 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

February 10, 2026

FROM

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

SUBJECT

Agency-Wide Financial Statements Through October 2025

RECOMMENDATION(S)

Approve and file agency-wide financial statements through 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 Housing Authority of the County of San Bernardino's (HACSB) fiscal year-to-date agency-wide net gain through September 2025 is \$1,137,584 with a variance of \$1,971,866 when compared to the budgeted amount. The significant variances of the budget are as follows:

- The HCV program received \$200,000 less in Housing Assistance Payment HAP funding from HUD when compared to the budgeted amount. HACSB expects to receive all HAP funds that were awarded, but the actual funds that are received are based on prior months' HAP expenses. This causes a variance between the amount of funding budgeted, and the amount received.
- The HCV program experienced a decrease in HAP expenses in the amount of \$800 thousand. This difference is due to two factors:
 - The budget amount does not include the HAP savings from the 36% total tenant payment (TTP) rent calculation
 - The per unit cost (PUC) anticipated increase is lower than what was budgeted.
- The tenant income was \$300 thousand 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 \$600 thousand 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 turnover. Health and Safety items continue to get priority attention.
- Depreciation expenses are not budgeted and amount to \$300 thousand. 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 2027 for FY 2026.

Financial Summary	FY 2026 YTD
Revenues	\$ 21,035,160
Expenses	\$(19,601,017)
Operating Net Income/(Loss)	\$ 1,434,143
Operating Transfers/Non-Operating Items	\$(296,559)
Net Income/(Loss)	\$ 1,137,584

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 2025-26 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 – HACSB Budget Comparison 10.2025

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 28, 2026.

HACSB Budget Comparison

Period = Oct 2025

	YTD Actual	YTD Budget	Variance	% Var	Annual
INCOME					
TENANT INCOME					
Total Rental Income	3,388,508	3,153,778	234,730	7.44	37,844,571
Total Other Tenant Income	96,015	54,251	41,763	76.98	615,078
NET TENANT INCOME	3,484,522	3,208,029	276,494	8.62	38,459,649
GRANT INCOME					
TOTAL GRANT INCOME	16,604,330	17,270,092	-665,762	-3.86	207,241,109
OTHER INCOME					
TOTAL OTHER INCOME	946,307	734,588	211,720	28.82	10,069,098
TOTAL INCOME	21,035,160	21,212,709	-177,549	-0.84	255,769,856
EXPENSES					
GRANT EXPENSES					
TOTAL GRANT EXPENSES	0	434,833	434,833	100.00	5,218,000
ADMINISTRATIVE					
Total Administrative Salaries	1,424,942	1,701,894	276,953	16.27	21,072,846
Total Legal Expense	28,435	55,400	26,965	48.67	668,848
Total Other Admin Expenses	717,945	848,631	130,686	15.40	9,968,590
Total Miscellaneous Admin Expenses	496,632	251,365	-245,267	-97.57	2,931,851
TOTAL ADMINISTRATIVE EXPENSES	2,667,954	2,857,291	189,337	6.63	34,642,135
TENANT SERVICES					
TOTAL TENANT SERVICES EXPENSES	632	15,880	15,248	96.02	186,610
UTILITIES					
TOTAL UTILITY EXPENSES	260,525	411,043	150,518	36.62	5,024,688
MAINTENANCE AND OPERATIONS					
Total General Maint Expense	358,769	350,984	-7,785	-2.22	4,281,778
Total Materials	61,463	107,069	45,606	42.59	1,281,843
Total Contract Costs	263,279	401,664	138,385	34.45	4,770,102
TOTAL MAINTENANCE EXPENSES	683,511	859,717	176,206	20.50	10,333,723
GENERAL EXPENSES					
TOTAL GENERAL EXPENSES	288,669	285,119	-3,550	-1.25	2,988,262
EXTRAORDINARY MAINTENANCE EXPENSES					
TOTAL EXTRAORDINARY MAINTENANCE EXPENSES	163,913	771,900	607,987	78.76	3,736,804
HOUSING ASSISTANCE PAYMENTS					
TOTAL HOUSING ASSISTANCE PAYMENTS	15,392,805	16,239,427	846,622	5.21	194,873,123
FINANCING EXPENSE					
TOTAL FINANCING EXPENSES	143,009	171,780	28,772	16.75	2,097,206
TOTAL OPERATING EXPENSES	19,601,017	22,046,990	2,445,973	11.09	259,100,551
OPERATING NET INCOME	1,434,143	-834,282	2,268,424	271.90	-3,330,695
NET OPERATING TRANSFER IN/OUT	0	0	0	N/A	0
NON-OPERATING ITEMS					
TOTAL NON-OPERATING ITEMS	296,559	0	-296,559	N/A	0
NET INCOME	1,137,584	-834,282	1,971,866	236.35	-3,330,695

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

February 10, 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 November 2025

RECOMMENDATION(S)

Approve the expense of uncollectable vacated tenant accounts for the Authority Owned Portfolio to be written off as collection losses for the month of November 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 November 30, 2025, is \$92,742.70. 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
403 - Summit Walk	1	226.00
407 - Sunset Pointe	3	1,179.00
408 - Sunrise Vista	1	6,233.00
409 - Andalusia	0	-
410 - Merrill	1	6,448.00
423 - Mesa Gardens	1	(47.00)
426 - Sunnyside	0	6,333.00
438000 - Yucaipa Terrace	1	7,898.00
481130-Maplewood	1	6,684.00
481160-Chino	1	1,996.00
490 - Northport	1	(539.83)
491 - Echo	1	19,924.60
Concessions Write Off	0	-
TOTAL RENT WRITE OFF	12	56,334.77
Miscellaneous Charges		5,101.71
Maintenance Charges		16,975.59
Legal Charges		24,821.63
Security Deposits Applied		(10,491.00)
NET TOTAL WRITE OFF		92,742.70

Vacated Tenant Accounts for the Authority Owned Portfolio to be Written Off as Collection Loss
for the Month of November 2025
February 10, 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 report, 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. Subsequent to board approval, the information is sent over to our contracted collection agency. Losses during this time period (November 1 – November 30, 2025) are primarily for voluntary move-outs and evictions.

PROCUREMENT

Not applicable

ITEM ATTACHMENTS

- Attachment 1 – Collection Write-Offs – Authority Owned Portfolio

REVIEW BY OTHERS

This item has been reviewed by General Legal Counsel, Fred Galante, on January 22, 2026.

Housing Authority County of San Bernardino

Month End: 11/30/25

COLLECTION WRITE-OFFS - Authority Owned Portfolio

Item #	Last Name	First Name	ID No.	REASON	MONTHLY RENT	UNPAID RENT (*)	CONC. REVERSAL	UNPAID MISC (*)	MAINT. FEES	LEGAL FEES	TOTAL OWED	LESS DEPOSIT	NET DUE
403 - Summit Walk													
1	Perez Castro	Fernando	t0045054	V	1,708.00	226.00	-		1,735.00		1,961.00	835.00	1,126.00
							-				-		-
TOTALS:						226.00	-	-	1,735.00	-	1,961.00	835.00	1,126.00
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
1	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A	N/A		11/04/25		

407 - Sunset Pointe													
2	Simpson	Heather	t0043060	V	1,365.00	-			3,351.00		3,351.00	700.00	2,651.00
3	Jones	Shanae	t0045835	S	1,600.00	1,179.00		3,844.81	4,058.00		9,081.81	700.00	8,381.81
4	Herrera	Yolanda	t0013895	V	1,600.00	-			780.00		780.00	500.00	280.00
TOTALS:						1,179.00	-	3,844.81	8,189.00	-	13,212.81	1,900.00	11,312.81
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
2	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A			10/31/25		
3	Skip	N/A	N/A	N/A	N/A	N/A		N/A			10/21/25		
4	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A			10/31/25		

408 - Sunrise Vista													
5	Olevnik	Ann							(412.00)		(412.00)		(412.00)
6	Taylor	Trenn	t0047224	E	1,375.00	6,233.00		375.00	2,007.00	1,500.00	10,115.00	1,000.00	9,115.00
							-			-	-		-
TOTALS:						6,233.00	-	375.00	1,595.00	1,500.00	9,703.00	1,000.00	8,703.00
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		
5	Payment on bad debt												
6	Notice to Pay or Quit	10/06/25	Posted	10/09/25	10/24/25	N		N/A	N/A		11/17/25		

409 - Andalusia													
7	Johnson	Alisha							(544.50)		(544.50)		(544.50)
										-	-		-
TOTALS:						-	-	-	(544.50)	-	(544.50)	-	(544.50)
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		
7	Collection on bad debt												

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

Housing Authority County of San Bernardino

Month End: 11/30/25

COLLECTION WRITE-OFFS - Authority Owned Portfolio

410 - Merrill													
8	Kremer	Cynthia					-		(125.00)		(125.00)		(125.00)
9	Lopez	Cynthia	t0015758	E	1,878.00	6,448.00	-	50.00	1,100.00	1,500.00	9,098.00	1,100.00	7,998.00
TOTALS:						6,448.00	-	50.00	975.00	1,500.00	8,973.00	1,100.00	7,873.00
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		
8	Payment on bad debt												
9	Notice to Pay or Quit	08/06/25	Posted	08/19/25	09/16/25	Y		10/13/25	N/A		11/13/25		

423 - Mesa Gardens													
10	Urban	Steven Mich	t0031266	V	1,400.00	(47.00)			942.11		895.11	800.00	95.11
TOTALS:						(47.00)	-	-	942.11	-	895.11	800.00	95.11
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	Intent to Vacate	N/A	N/A	N/A	N/A	N/A		N/A	N/A		10/29/25		

426 - Sunnyside													
11	Siqueiros	Gabriel	t0042268	E	1,743.00	6,333.00		175.00	483.00	1,380.00	8,371.00	800.00	7,571.00
TOTALS:						6,333.00	-	175.00	483.00	1,380.00	8,371.00	800.00	7,571.00
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		
11	Notice to Pay or Quit	08/11/25	Posted	08/20/25	09/09/25	N		N/A	11/19/25		11/19/25		

438000 - Yucaipa Terrace													
12	Montoya	Nohemy	t0023339	E	675.00	7,898.00		200.00	275.00	2,248.71	10,621.71	200.00	10,421.71
TOTALS:						7,898.00	-	200.00	275.00	2,248.71	10,621.71	200.00	10,421.71
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		
12	Notice to Pay or Quit	11/07/24	11/07/24	12/10/24	02/20/25	Y		08/11/25	N/A		11/17/25		

Housing Authority County of San Bernardino

Month End: 11/30/25

COLLECTION WRITE-OFFS - Authority Owned Portfolio

481130-Maplewood													
13	Moore	Amber	t0030279	E	\$554	6,684.00			490.00	16,692.92	23,866.92	950.00	22,916.92
TOTALS:						6,684.00	-	-	490.00	16,692.92	23,866.92	950.00	22,916.92
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
13	Notice to Pay or Quit	11/07/24	11/07/24	12/08/24	12/10/24	Y		10/09/25			10/17/25		

481160-Chino													
14	Hardwick	Maxine	T0133560	V	1,668.00	1,996.00			131.00		2,127.00	806.00	1,321.00
TOTALS:						1,996.00	-	-	131.00	-	2,127.00	806.00	1,321.00
Item #	Type of Notice	Date Notice Served	Posted or Hand Delivered	Date File Sent to Attorney	Date Attorney Filed in Court	Response Filed by Tenant (Y or N)		Court Date	Lock Out Date		Vacate Date		
14	Notice to Pay or Quit	10/06/25	Posted or Hand Delivered	N/A	N/A	N		N/A	N/A		11/06/25		

490 - Northport													
15	Anderson	Leslie	t0045169	V	1,769.00	(539.83)			1,445.35		905.52	100.00	805.52
TOTALS:						(539.83)	-	-	1,445.35	-	905.52	100.00	805.52
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	10/8/2025									11/15/25		

491 - Echo													
16	Yarber	Kimberly	t0047841	E	2,750.00	19,924.60		456.90	1,259.63	1,500.00	23,141.13	2,000.00	21,141.13
TOTALS:						19,924.60	-	456.90	1,259.63	1,500.00	23,141.13	2,000.00	21,141.13
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	Notice to Pay or Quit	07/17/25	Posted	07/03/25	08/05/25	Y		09/15/25	11/05/25		11/05/25		

ALL PROPERTY TOTALS:						56,334.77	-	5,101.71	16,975.59	24,821.63	103,233.70	10,491.00	92,742.70
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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.

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