



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

Sean Rogan
Executive Director

**AGENDA
FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION
WEDNESDAY, SEPTEMBER 22, 2010
12:00 NOON
COMMISSION HEADQUARTERS
2 CORAL CIRCLE
MONTEREY PARK, CA 91755
(323) 890-7400**

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1. Call to Order

2. Roll Call

**Adriana Martinez, Chair
Alberta Parrish, Vice Chair
Henry Porter, Jr.
Severyn Aszkenazy
Zella Knight
Mary Lou Leggett
Laurence Levin**

3. Reading and Approval of the Minutes of the Previous Meeting

Regular Meeting of August 25, 2010

4. Report of the Executive Director

5. Public Comments

The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.



Regular Agenda

6. **Approve the Acceptance and Incorporation of County Funds for the University of California Cooperative Extension Program (All Districts)**

Recommend that the Board of Commissioners find that the acceptance and incorporation of funds for the Cooperative Extension program is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA; authorize the Executive Director to execute all required documents necessary to accept and incorporate \$45,000 in County general funds to support the Cooperative Extension program, into the Housing Authority's approved Fiscal Year 2010-2011 budget. (APPROVE)

7. **Approve the Amendment to the Section 8 Program Administrative Plan for the Housing Authority of the County of Los Angeles (All Districts)**

Recommend that the Board of Commissioners approve the amended Administrative Plan, as required by the U.S. Department of Housing and Urban Development (HUD), to update the Housing Authority's policies; find that the amended Administrative Plan for Fiscal Year 2010-2011 is not subject to the provisions of the California Environmental Quality Act (CEQA) because it will not have the potential for causing a significant effect on the environment. (APPROVE)

8. **Adopt Resolution Authorizing Issuance of Multifamily Housing Mortgage Revenue Bonds for 105th Street & Normandie Senior Housing, a Multifamily Housing Development Located in Unincorporated West Athens/Westmont (District 2)**

Recommend that the Board of Commissioners adopt and instruct the Chair to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, authorizing the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority of the County of Los Angeles, in an aggregate amount not exceeding \$8,000,000, to assist Normandie Senior Housing Partners L.P. (Developer) in financing the site acquisition and construction of 105th & Normandie Senior Housing, a 62-unit multifamily rental housing project to be located at 10402, 10408, 10410 and 10426 South Normandie Avenue, 1344 West 104th Street and 1335 West 105th Street in unincorporated West Athens/Westmont; authorize the Executive Director of the Housing Authority to negotiate, execute, and if necessary amend all related documents and take all necessary actions for the issuance, sale, and delivery of the bonds. (APPROVE)

9. Approve a Construction Contract for Solar Water Heaters Installation And Roofs Modernization at the Nueva Maravilla Seniors Housing Development (District 1)

Recommend that the Board of Commissioners approve and authorize the Executive Director to execute and if necessary, terminate a Contract in the amount of \$1,152,040 to Fast-Track Construction Corp. to complete the installation of four solar water heaters and the replacement of five existing roofs and all associated work at the Nueva Maravilla senior housing development, using \$1,152,040 in Community Development Commission (Commission) General Funds; authorize the Executive Director to approve Contract change orders not exceeding \$230,408 for unforeseen project costs, using Commission General Funds and following approval as to form by County Counsel; authorize the Executive Director to incorporate up to \$1,382,448 in Commission General Funds into the Housing Authority's approved Fiscal Year 2010-2011 budget for the purposes described above; find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA) because the work includes activities that will not have the potential for causing a significant effect on the environment. (APPROVE)

10. Housing Commissioners Comments and Recommendations for Future Agenda Items

Housing Commissioners may provide comments or suggestions for future Agenda items.

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 2 Coral Circle in the City of Monterey Park. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 890-7400, or by e-mail at donna.delvalle@lacdc.org, from 8:00 a.m. to 5:00 p.m., Monday through Friday.

THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES
MINUTES FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday August 25, 2010

The meeting was convened at the Marina Manor Housing Development located at 3405 Via Dolce, Marina Del Rey, California.

Digest of the meeting. The Minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Vice Chair Alberta Parrish at 12:05 p.m.

ROLL CALL

Present

Absent

Adriana Martinez, Chair		X
Alberta Parrish, Vice Chair	X	
Severyn Aszkenazy	X	
Henry Porter	X	
Zella Knight	X	
Mary Lou Leggett	X	
Laurence Levin	X	

PARTIAL LIST OF STAFF PRESENT:

Sean Rogan, Executive Director
Dorian Jenkins, Deputy Executive Director
Maria Badrakhhan, Director, Housing Management
Emilio Salas, Director, Administrative Services

GUESTS PRESENT:

None were present

Reading and Approval of the Minutes of the Previous Meeting

On Motion by Commissioner Porter, seconded by Commissioner Aszkenazy, with Commissioner Knight and Commissioner Parrish abstaining, the Minutes of the Regular Meeting of July 28, 2010, were approved.

Agenda Item No. 4 – Report of the Executive Director

Mr. Dorian Jenkins presented the following report:

The Housing Authority is currently undergoing VMS (Voucher Management System) audit. This is the system that reports the HAP (Housing Assistance Program) expenditures and Lease-up amounts.

SEMAP (Section Eight Management Assessment Program) certification has been completed and submitted to HUD, certifying that we will be receiving 123 points. This is the second year in a row that the Housing Authority obtained the highest points as an organization.

The Housing Authority continues to be 100% leased up and the Section 8 waiting list is still closed.

The physical REAC inspections at the housing development sites have been completed.

Ujima Village is completely vacant and the water and gas have been shut off. The fencing surrounding the perimeter will be installed within the next two weeks.

Agenda Item No. 5 Public Comments

Rae Clark and Charlotte Martin, Marina Manor residents, inquired about having an emergency system installed in the units to assist the residents as needed.

Area Manager Arlene Black responded that in the past an emergency system was in place, but was removed years ago due to the system being non-operational and it was not monitored. The housing site is an independent living site, not an assisted living residency. Residents are encouraged to enroll in their own monitoring program and they are encouraged to work with their neighbors in a buddy system to help during emergency situations.

Carol Bogan and Tina Wheeler, Marina Manor residents asked about the amount of dogs a resident can have in their unit. They are concerned about a Lomita resident having 5 dogs and why is this allowed. Ms. Bogan also inquired about the policy about tenants washing their vehicles in the parking lot and if rules can be posted.

Property Manager Keisha Nathaniel responded that she is aware of the situation and she has arranged for a counseling session with the tenant and appropriate

actions will be taken. In regard to tenants washing their vehicles in the parking lot, it is a violation of the policy the Property Supervisor will follow up with the tenants.

Tina Wheeler, Marina Manor resident inquired about the safety of the residents and the use of security cameras and security gates throughout the housing site. She is concerned that non-residents are entering the site without permission and the possibility of items being stolen. Ms. Wheeler also asked who and when is the property management available to assist and address tenant's needs.

Ludamila Privo, Marina Manor resident, is concerned about how the non-english speaking residents are treated by the other tenants.

Socorro Fay, Marina Manor resident asked for the property management to assist with various maintenance issues in her unit.

Deputy Executive Director Dorian Jenkins will follow up on the concerns and provide a report at the next meeting. All other concerns will be addressed with the property management and with the resident council at a later date and time.

Executive Director Sean Rogan responded that the information is very important for Management to hear and he will be following up that all items will be addressed with the tenants and property management.

Regular Agenda

On Motion by Commissioner Aszkenazy, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission:

**APPROVE A CONSTRUCTION CONTRACT WITH C A S GENERAL
CONTRACTOR FOR ELECTRIC METER CONVERSION AT THE NUEVA
MARAVILLA HOUSING DEVELOPMENT IN
UNINCORPORATED EAST LOS ANGELES (FIRST DISTRICT)
AGENDA ITEM NO. 6**

1. Recommend that the Board of Commissioners approve and authorize the Executive Director to execute and if necessary, terminate a Contract in the amount of \$1,838,900 to C A S General Contractor to complete the electrical meter conversion and all associated work at the Nueva Maravilla housing development, using \$897,659 in Community Development Block Grant (CDBG) funds allocated to the First Supervisorial District by the U.S. Department of Housing and Urban Development (HUD) and \$941,241 in Capital Fund Program (CFP) funds allocated by HUD.

2. Recommend that the Board of Commissioners authorize the Executive Director to approve Contract change orders not exceeding \$367,780 for unforeseen project costs, using CFP funds and following approval as to form by County Counsel;
3. Recommend that the Board of Commissioners authorize the Executive Director to incorporate \$547,659 in CDBG funds and \$1,309,021 in CFP funds into the Housing Authority's approved Fiscal Year 2010-11 budget; find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because the work includes activities that will not have the potential for causing a significant effect on the environment.

Closed Session:

On Motion by Commissioner Porter, seconded by Commissioner Aszkenazy, and unanimously carried, the following was approved by the Housing Commission:

**APPROVE SETTLEMENT OF TORT LIABILITY CASE ESTATE OF ENEDINA DE LOZA ACEVES, ET AL. VS. HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES, ET AL. (ALL DISTRICTS)
AGENDA ITEM NO.7**

1. Recommend that the Board of Commissioners approve and authorize the Executive Director to execute a settlement agreement in the amount of \$75,000, to be paid from \$37,500 in Housing Management Administrative Funds and \$37,500 in Public Housing Operating Funds, to the Estate of Enedina De Loza Aceves, Lillian Gutierrez and Jesse Aceves in settlement of Estate of Enedina De Loza Aceves, et al. vs. Housing Authority of the County of Los Angeles, et al., following approval as to form by County Counsel.
2. Recommend that the Board of Commissioners find that approval of the settlement is not subject to the provisions of the California Environmental Quality Act (CEQA) because the activity is not defined as a project under CEQA.

Agenda Item No. 8 – Housing Commissioner Comments and Recommendations for Future Agenda Items

Award presentation made to Esther Keosababian, Assistant Director of Housing Management upon her retirement for her years of service to the Housing Authority.

Commissioner Levin would like clarification on abbreviations provided in the Housing Commission information packet.

Executive Director Sean Rogan responded that in the future all abbreviations should be spelled out. TVSM is Traffic Violator School Monitoring.

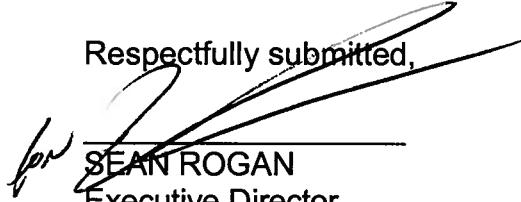
Commissioner Porter inquired about the motion for additional funds for the project in Santa Monica. Why was the project approved by the building inspectors initially and now we are being instructed to make adjustments after the job has begun.

Geoffrey Siebens, Construction Management Manager responded to the inquiry with information regarding the project.

Commissioner Knight complimented staff in regard to the scoring from HUD for their SEMAP points, it is a great accomplishment.

On Motion by Commissioner Porter the Regular Meeting of August 25, 2010, was adjourned at 1:24 pm.

Respectfully submitted,


SEAN ROGAN
Executive Director
Secretary –Treasurer

FOR YOUR INFORMATION

Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

September 16, 2010

TO: HOUSING COMMISSIONERS

FROM: DORIAN JENKINS, Deputy Executive Director

SUBJECT: **RESPONSES TO ISSUES PRESENTED AT THE AUGUST 25, 2010 HOUSING COMMISSION MEETING**

This memo serves to provide an update on the concerns presented by attendees of the August 25, 2010 Housing Commission Meeting held at the Marina Manor Housing Development.

- Ethnicity Concern – Applicants of any and all ethnicities can apply for housing online at www.lacdc.org. They are allowed to apply for housing at as many developments and programs that meet their interest. The decision for an applicant to reside in one area over another area is based solely on the decision of the applicant. HACoLA cannot prevent applicants from moving to any specific Housing Development.
- Pet Policy – Residents are not permitted to have more than a total of two (2) common household pets. Of this total, residents are not permitted to have more than one (1) dog. Management has been working with individual residents to ensure that the Pet Policy is being adhered to.
- Residents who request and receive a reasonable accommodation are allowed an exception to the Pet Policy. The Americans for Disabilities Act does not place a limitation on how many support animals a resident may have. Residents are required to abide by their lease agreements in maintaining their pets in their units and common areas.
- HACoLA's *Admissions and Continued Occupancy Policy for the Conventional Public Housing Program, March 24, 2009*, it states:

“This Pet Policy does not apply to assistive (service) animals or their owners. Nothing in this policy or dwelling lease limits or impairs the right of persons with disabilities to own animals that are used to assist them. Pursuant to 24 CFR 5.303(a)(1), The Housing Authority shall grant an exception to the Pet Policy, as a reasonable accommodation, if the resident/pet owner certifies that:

- (a) The tenant or prospective tenant certifies in writing that the resident or a member of his or her family is a person with a disability;
 - (b) The animal is necessary to assist, support or provide services to the resident or member of his or her household with a disability.
- Car Washing - The washing of cars on Housing Authority property is not permitted. The current lease agreement and the Parking Policy for the Marina Manor housing development prohibit these activities. Management takes the appropriate action under the lease agreement as these incidents are reported.
- Resident Manager work hours - Although resident managers live at our housing developments, they work forty (40) hours per week during the business hours of Monday through Thursday, 8 a.m. to 6 p.m. and Fridays, 8 a.m. to 5 p.m. These hours are posted on the Marina Manor Management Office door. There are days where the Housing Authority requires staff to attend mandatory training, meetings or complete administrative requirements offsite. On these days, a sign is posted on the office door to inform residents who to contact in an emergency.
- 24 Hour CCTV Monitoring – CCTV cameras are not monitored 24 hours a day. They are motioned activated. When an incident is reported, recordings are reviewed by law enforcement and Crime and Safety staff for activity. Residents are advised to immediately call '9-1-1' if they observe any criminal or suspicious activity. Additionally, residents are also advised to contact the Housing Authority's Crime/Fraud Tip Line to make an anonymous report regarding suspected fraud or criminal activity of a non-emergency nature. The toll free number is 1-877-881-7233 and tips are kept confidential. The Tip Line is monitored by law enforcement and the Crime and Safety Division. We investigate all reports of criminal activity at our sites.
- Pedestrian Gates - Every resident has a key to the perimeter gates. Management continues to address the ongoing challenge of reminding residents not to prop open doors for guests and to ensure that perimeter gates and doors are closed properly. Entry gates and doors are currently under contract for modernization and work is in progress. Once completed, all doors will be operated with a keyless entry system.
- Removal of Emergency Pull Cords – Our housing sites are for independent living and not assisted living facilities where staffing, resident care and monitoring is provided (24) hours a day. For this reason, the emergency pull cords were removed from all Housing Authority sites years ago to prevent the liability that may result should an emergency occur. Residents are encouraged to subscribe to an individual monitoring service should they feel it is necessary. In addition, residents are encouraged to be aware of their neighbors and maintain a "buddy

system.” If concerns are reported, staff will conduct a visit to confirm the resident’s well being.

Resident Council/Community Meetings – There was a Marina Manor community meeting held on September 15, 2010 at 3:30 p.m. HACoLA staff attended the meeting. The Marina Manor housing development’s Resident Council Executive Board officer coordinates council meetings.

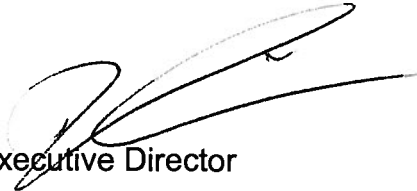
Site staff conducts community meetings usually around a specific issue, such as construction, community safety, emergency preparedness, etc. The Housing Management Division also conducts a Quarterly Resident Council Forum meeting for all of the Resident Councils to attend where information regarding community resources, educational materials and guidance on council operations are provided. Members of the Marina Manor Resident Council actively participate in these Forums regularly.

Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

September 15, 2010

TO: Housing Commissioners
FROM: Dorian Jenkins, Deputy Executive Director



SUBJECT: STATUS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA) COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY (CDBG-R) PROGRAM

The Community Development Block Grant (CDBG) Division is closely monitoring CDBG-R subrecipients to ensure that they: (a) spend at least 50% of their allocated funds by January 31, 2011; (b) spend all of their allocated funds by June 30, 2012; and (c) meet all grant requirements by September 30, 2012. We are currently pacing at an appropriate level: as of September 15, 2010, \$3,287,414.40 (40.95%) of the total \$8,027,586 under contract has been expended.¹ Following are major actions taken since the last report:

- Monthly policy bulletins will continue to be issued through December 2010 to all CDBG-R subrecipients. These bulletins show, by agency and project, how much has been spent and the amount of funds that each subrecipient must spend by January 31, 2011 to reach their 50% expenditure standard.
- To date, 34 of the 64 CDBG-R funded projects (34%) have already met the 50% drawdown standard ahead of the January 31st deadline, and approximately 1/3 of the projects are completed (some below budget).
- During this month, CDBG Division management will determine: (a) the amount of funds that remain undisbursed from completed projects, and (b) the policy and process for re-allocating these funds to other eligible CDBG-R activities.

DJ:TG:AC:ec
H:TG\ARRA\ARRA Status Report For CDBG-R (As of September 2010)

¹ Our total grant is \$8,080,582, and one (1) additional project with a budget of \$52,996 is planned to begin in October 2010. We executed reimbursable contracts with our CDBG-R subrecipients. Therefore, the "expended" amount is a conservative dollar figure because it represents only the funds that our subrecipients have claimed and that we have reimbursed to them. Also, some CDBG-R funded cities and County Departments submit funding requests on a bi-monthly, instead of on a monthly basis.

Housing Authority - County of Los Angeles

September 15, 2010

FOR YOUR INFORMATION ONLY

TO: Housing Commissioners

FROM: Dorian Jenkins, Deputy Executive Director

SUBJECT: STATUS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA) HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) is a collaborative effort among the Community Development Commission (CDC), the Chief Executive Office (CEO), implementing County Departments, local Non-Profit Organizations and the Los Angeles Homeless Services Authority (LAHSA). Actions since the last report include the following:

- To date, \$1,424,263 (11.68%) of the \$12,197,108 budget has been expended. The total grant award is \$12,197,108; approximately \$4.8 million from non-performing County programs and unallocated funds have been reprogrammed to the following three (3) non-profit agencies: People Assisting the Homeless, Union Station Homeless Services, and Volunteers of America, Los Angeles. As of August 31, 2010, a total of 542 households have received assistance through the HPRP program.
- A comprehensive training session for the selected three (3) non-profits was conducted on August 17, 2010. The training covered programmatic, financial, and reporting requirements. The three (3) non-profits will provide services from six (6) locations throughout the County beginning early October 2010.
- Recommendation to award agreements to the selected three (3) non-profits was approved by the Board of Supervisors (Board) on August 31, 2010. In addition, the Board approved the expansion of the HPRP service area to include the 19 cities not currently receiving state or federal HPRP services.
- The selected non-profits were introduced to staff from the other County Departments that are administering HPRP projects, as well as representatives from the CEO and the LAHSA at the September 14, 2010 monthly HPRP Partners meeting.
- CDC-CDBG Division will continue the in-progress monitoring reviews of the County Departments' HPRP projects to ensure their compliance with Federal grant requirements and the County Auditor-Controller financial standards.

DJ:TG:AC:ec

H:TG\ARRA\ARRA Status Report For HPRP (As of September 2010)

Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

September 22, 2010

TO: Housing Commissioners

FROM: Margarita Lares, Director, Assisted Housing Division



RE: **FSS Program Update – August 2010**

The Family Self-Sufficiency (FSS) Program is a HUD initiative intended to assist Public Housing residents and Housing Choice Voucher Program participants achieve economic independence and self-sufficiency.

Activities

RECRUITMENT	19 14	Applications Received Applications Sent
ENROLLMENTS	10	New FSS Participants
TERMINATIONS	4 1	Participant Terminated from FSS: terminate from Sect. 8 Participants Terminated from FSS: porting to another PHA
MEETINGS	1	SASSFA Partner Meeting
WORKSHOPS Program Presentations	1	Program presentation at Partnership Meetings
Money Smart Workshop	5 7	Disseminated Credit Repair Informational Packets Disseminated Budget Informational Packets
REFERRALS	6 1 19 9	Job referral from the employment network job board CDC Home Ownership Program (HOP) Homelessness Prevention & Rapid Re-Housing program WorkSource Center employment workshops and job fairs
GRADUATIONS	4	Pending requests for graduation

If you have any questions, please feel free to contact me at (562) 347-4837.

ML:CJ:dt

Community Development Commission

August 31, 2010

FOR YOUR INFORMATION ONLY

TO: Each Supervisor
FROM: Sean Rogan, Executive Director
SUBJECT: UPDATE ON THE PURSUIT AND IMPLEMENTATION OF FUNDING MADE AVAILABLE IN H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009



On March 31, 2009, the Board of Supervisors (Board) requested that the Community Development Commission/Housing Authority of the County of Los Angeles (CDC/HACoLA) report on the efforts to apply for, or take the necessary steps to accept, each category of funding contained within ARRA that the CDC/HACoLA is eligible to receive, either by formula or by competitive grant application. In all, the CDC/HACoLA was awarded \$33,603,148 of the \$114,312,431 applied for.

Funding Awarded

PUBLIC HOUSING CAPITAL FUND (CF)

Funding Amount: \$7,401,512 (by formula)

Award of Funds: On March 31, 2009, the Board of Commissioners approved a motion to accept the grant funds, and funding became available to the HACoLA on May 14, 2009.

Use of Funds: The funds are being used for security improvements, energy efficiency work measures, preventive maintenance, and general improvements at 12 public housing developments comprised of 2,500 public housing units. As a direct result of CF formula activities, the HACoLA has reported a total of 73 full-time equivalent jobs (that were created or retained) through the 4th Quarter to FederalReporting.gov.

Expenditure Levels: As of August 16, 2010, the HACoLA had expended \$4,243,394 of the \$7,401,512 obligated.

Provisions: The HACoLA must obligate 100% of the funds within 1 year, expend 60% of the funds in 2 years, and complete 100% of the fund expenditures in 3 years. The HACoLA has met the mandatory obligation deadline.

Funding Amount: \$5,924,000 (Applied for \$22,399,000 by competition.)

Award of Funds: On June 22, 2009, the HACoLA applied for \$16,475,000 in funding for improvements addressing the needs of the elderly and/or people with disabilities and public housing transformation. Additionally, on July 21, 2009, the HACoLA applied for \$5,924,000 in funding for energy efficient/green community projects.

Use of Funds: The HACoLA was only awarded funding in the 'Creation of an Energy Efficient Green Community category in the amount of \$5,924,000. Funds were granted on September 29, 2009, and are being used at the Nueva Maravilla housing development to reduce energy costs, generate resident and HACoLA energy savings, and reduce greenhouse gas emissions attributable to energy consumption. A total of 20 full-time equivalent jobs were created or retained through the 4th Quarter and have been reported to FederalReporting.gov.

Expenditure Levels: On December 1, 2009, the Board approved the acceptance of the funds. As of August 16, 2010, the HACoLA had expended \$446,662 of the \$5,924,000 obligated.

Provisions: The HACoLA must obligate 100% of the funds within 1 year of the date in which

funds become available for contracts. The U.S. Department of Housing and Urban Development (HUD) requires the HACoLA to use at least 60% of the funds within 2 years and 100% of the funds within 3 years. The HACoLA has met the mandatory obligation deadline.

COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY (CDBG-R)

Funding Amount: \$8,080,528 (by formula)

Award of Funds: The CDC submitted an amendment to the CDBG Program Year 2008 Action Plan (as required by ARRA) on June 5, 2009, after receiving approval from the Board on June 2, 2009. The CDC received the CDBG-R Grant Agreements on August 26, 2009.

Use of Funds: The CDC worked with the agencies affected by CDBG/ARRA regulations and submitted a final list of projects for approval to HUD on August 13, 2009, and the Board on August 18, 2009. Both HUD and the Board approved the list for the CDC's CDBG-R Program. Project activities include public improvements, housing rehabilitation, economic development, public services, and administration. During the 4th Quarter, the following activities occurred: completed rehabilitation of 83 housing units, completed construction of 5 sidewalk improvement projects serving 10,847 people, completed construction of one street improvement project serving 7,143 people, completed Americans with Disabilities Act (ADA) improvements to 3 public facilities, and provided job training to 5 people. In addition, the CDC has reported the creation or retention of 660 jobs which corresponds to 54.46 full-time equivalent positions to date.

Expenditure Levels: As of August 16, 2010, the CDC had expended \$2,611,994.

Provisions: The CDC must use all CDBG-R funds by September 30, 2012.

HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)

Funding Amount: \$12,197,108 (by formula)

Award of Funds: The CDC submitted a completed application to HUD on May 18, 2009, which was subsequently approved the following June. Trainings on reporting, program monitoring, and general implementation were held for the applicable County Departments on August 19, 2009, and the CDC received the HPRP Grant Agreements on August 20, 2009.

Use of Funds: Implementation of HPRP began on October 1, 2009; and the Departments of Public Social Services, Consumer Affairs, Children and Family Services, Community and Senior Services, and the Los Angeles Homeless Services Authority (LAHSA) have been working collaboratively to deliver assistance to those in need. In addition, Neighborhood Legal Services began offering legal assistance and representation to persons and families with unlawful detainers on November 1, 2009.

The number of clients assisted continues to increase. From program start through the 4th Quarter report, 635 persons have been assisted. (This number has increased from last month because it now includes LAHSA's final data regarding the number of people served for the quarter, a figure that was not available in time for inclusion in the July memo.) Further, the CDC reported the creation or retention of 275 jobs to FederalReporting.gov, which corresponds to 32.31 full-time equivalent positions to date. Board approval of recommendations for contracts with 3 non-profits in 6 geographic areas of the County is scheduled for August 31, 2010. We held several trainings for the agencies during the month of August and continue moving toward program implementation in September.

Each Supervisor
August 31, 2010
Page 3

Expenditure Levels: As of August 16, 2010, the CDC had expended \$1,318,864.

Provisions: HUD requires that 60% of the funds be used within 2 years, and 100% in 3 years.

Unsuccessful Grant Applications

GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING

Funding Amount: Applied for \$2,260,000 by competition.

Award of Funds: The HACoLA submitted applications for the Kings Road and Lancaster Homes Housing Developments on June 15, 2009. The HACoLA did not receive this grant.

Use of Funds: Had the HACoLA been awarded, the funds would have been used for the modernization and rehabilitation of the Kings Road and Lancaster Homes developments.

JUVENILE JUSTICE AND CRIME PREVENTION ACT PROGRAM (JJCPA)/EDWARD BYRNE MEMORIAL COMPETITIVE GRANT PROGRAM

Funding Amount: Applied for \$974,283 by competition.

Award of Funds: The CDC submitted an application on April 27, 2009. The CDC did not receive this grant.

Using the Funds: Had the CDC been awarded, the funds would have been used to support existing JJCPA programs.

NEIGHBORHOOD STABILIZATION PROGRAM 2 (NSP2)

Funding Amount: Applied for \$61,000,000 by competition.

Award of Funds: The CDC submitted an application on July 10, 2009. The CDC did not receive this grant.

Use of Funds: Had the CDC been awarded, the funds would have been used to supplement the NSP1 program, which includes the HERO program and Rental Infill Sites activities for tenants below 50% of the area median income (AMI).

If you have any questions, please contact me at (323) 890-7400, or Terry Gonzalez, Director, CDBG Division, at (323) 890-7150.

SRITG\SH\nm

K:\CDBG Common\IGR-PIARRA Board Memo\August '10 ARRA Memo

Attachment

c: Each Deputy

Brence Culp, Deputy Chief Executive Officer, Chief Executive Office

Ellen Sandt, Deputy Chief Executive Officer, Chief Executive Office

Kathy House, Acting Deputy Chief Executive Officer, Chief Executive Office

Sachi A. Hamai, Executive Officer/Clerk Board of Supervisors

Lisa Rizzo, Principal Analyst, Chief Executive Office

Scott Wiles, Special Assistant, Chief Executive Office

Vani Dandillaya, Special Assistant, Chief Executive Office

**The CDC/HACoLA
American Recovery and Reinvestment Act of 2009 (ARRA) Final Award Amounts**

	ARRA GRANT OPPORTUNITY	FUNDING AGENCY	FORMULA AMOUNT/ \$ APPLIED FOR	AMOUNT AWARDED	GRANT AGREEMENT*
1	Capital Fund (formula)	HUD	\$7,401,512	\$7,401,512	Yes
2	Capital Fund (competitive) - Disabilities Category	HUD	\$9,235,000	Did Not Receive	No
3	Capital Fund (competitive) - PH Transformation	HUD	\$7,240,000	Did Not Receive	No
4	Capital Fund (competitive) - Green Technology	HUD	\$5,924,000	\$5,924,000	Yes
5	Community Development Block Grant - Recovery	HUD	\$8,080,528	\$8,080,528	Yes
6	Neighborhood Stabilization Program 2	HUD	\$61,000,000	Did Not Receive	No
7	Homeless Prevention and Rapid Re-Housing Program	HUD	\$12,197,108	\$12,197,108	Yes
8	Green Retrofit Program for Multifamily Housing	HUD	\$2,260,000	Did Not Receive	No
9	Edward Byrne Memorial Competitive Grant	DOJ	\$974,283	Did Not Receive	No
Total Awarded Under ARRA			\$33,603,148		

*Grant Agreement Received – Funds available for drawdown at U.S. Treasury.

FOR YOUR INFORMATION ONLY

From: Elisa Vasquez
Sent: Monday, September 13, 2010 9:45 AM
To: Directors/Managers
Cc: Daniel Rofoli; Debra Solis; Elisa Vasquez; Geoffrey Siebens; Gloria Ramirez; Grace Thamawatanakul; Gregg Kawczynski; Jose Pilpa; Lynna Ochoa; Marcie Chavez; meiwen fang; Nicholas Teske; Raymond Webster; Robin Pointer; Samantha Harrison
Subject: Legislative Update

Hello,

Below please find an update on State and Federal legislative activity of interest to the CDC. Please let me know if you have any questions.

State Legislation

AB 2499 - Among the 800 bills waiting for the Governor's signature is AB 2499, proposing to change the responsibilities of the TVSM Program. The County's Sacramento advocates are seeking an opportunity to inform the Governor of our opposition and the negative impact the bill will have throughout the State. They continue trying to schedule a meeting with the Governor or his staff, but as of yet, have been unsuccessful. On August 24th, the County, on behalf of the CDC, sent the Governor a letter of opposition seeking the Governor's veto of AB 2499.

Redevelopment Funds - On August 30th, the California Redevelopment Association (CRA) submitted its opening brief on appeal with the Third District Court of Appeal to overturn a \$2.05 raid of redevelopment funds by the State. The CRA is appealing a May 2010 Sacramento Superior Court decision which upheld the legality of ABX4-26, which was passed in July 2009 as part of the 2009/10 State budget, and authorizes a total of \$2.05 billion in local redevelopment tax revenue be shifted to fund the State's obligation to schools. In requiring this transfer of redevelopment funds from local communities ultimately to fill State budget holes, ABX4-26 violates the State Constitution. Under the complex payment transfer terms of ABX4-26, the \$2.05 billion was divided into two payments: \$1.7 billion in 2010 and \$350 million in 2011. In each of the two years, redevelopment agencies are forced to turn over their funds to local county auditors. County auditors then transfer that money into a special fund, the Supplemental Educational Revenue Augmentation Fund. The first \$1.7 billion payment was paid by redevelopment agencies to County auditors on May 10, 2010. **For the County of Los Angeles, this meant the CDC paid \$1.4 million last fiscal year and will pay roughly \$300,000 this fiscal year.** The appeal seeks repayment of those funds by the State and a prohibition of the second payment of \$350 million due in 2011. *(From CRA Update, 8/30/10)*

Congress

Congress reconvenes from their August Recess this week. Although we continue to monitor activity, much of their focus will remain on the impending November 2 election.

Congressional Legislation

HR 4173: Wall Street Reform and Consumer Protection Act - Passed on July 21, 2010, this bill allocates an additional \$1 billion in funding to all States along with a number of counties and local communities struggling to reverse the effects of the foreclosure crisis. Award amounts were announced last week, and we now know that the CDC will be the recipient of \$9.5 million for a third round of NSP funding. In determining the allocations announced, HUD, as it did with NSP1, followed key indicators for the distribution formula outlined by Congress. The formula weighs several factors to match funding to need in the 20 percent most distressed neighborhoods as determined based on the number and percentage of home foreclosures, the number and percentage of homes financed by a subprime mortgage related loan,

and the number and percentage of homes in delinquency. We expect to have program details when HUD releases the NSP3 guidance notice in the next few weeks.

IGR will continue to monitor and report on these and any other legislative matters of impact to the CDC.

Elisa



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

Sean Rogan
Executive Director

September 22, 2010

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755

Dear Commissioners:

**APPROVE THE ACCEPTANCE AND INCORPORATION OF COUNTY FUNDS FOR
THE UNIVERSITY OF CALIFORNIA COOPERATIVE EXTENSION PROGRAM
(ALL DISTRICTS)**

SUBJECT

This letter recommends approval to accept and incorporate \$45,000 in County general funds into the Housing Authority of the County of Los Angeles' approved Fiscal Year 2010-2011 budget for the University of California Cooperative Extension (Cooperative Extension) program.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners find that the acceptance and incorporation of funds for the Cooperative Extension program is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.
2. Recommend that the Board of Commissioners authorize the Executive Director to execute all required documents necessary to accept and incorporate \$45,000 in County general funds to support the Cooperative Extension program, into the Housing Authority's approved Fiscal Year 2010-2011 budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to authorize the acceptance and incorporation of \$45,000 in County general funds into the Housing Authority's approved Fiscal Year 2010-2011

budget to support the Cooperative Extension's Food Stamp Nutrition Education program and to cover increased rental costs for the office space located at 335-337 East Avenue K-10 in the City of Lancaster, occupied by the Cooperative Extension program.

FISCAL IMPACT/FINANCING

These actions will be funded with \$45,000 in County general funds.

The increase for the Cooperative Extension program will be funded with \$45,000 in County general funds as included in the County's Supplemental Budget which is scheduled to be approved by the Board of Supervisors on September 28, 2010. These funds will be incorporated into the Housing Authority's approved Fiscal Year 2010-2011 budget, as needed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Cooperative Extension supports local farmers and residents by providing services related to urban gardens, horticulture, natural resource management, and environmental issues.

In 1993, the Board of Supervisors transferred the Cooperative Extension program from the Los Angeles County Department of Community and Senior Services to the Community Development Commission. Thereafter, the Housing Authority assumed responsibility for administering the program, which your Board approved, because of its close link in mission to the program. Since that time, the Cooperative Extension's budget has resided with the Housing Authority. For the past 17 years, the County and the Housing Authority have jointly supported the continuation of the Cooperative Extension program services.

The \$30,000 in County general funds will support the Food Stamp Nutrition Education Program (FSNEP), which provides free nutrition education classes to food-stamp eligible families and seniors. Participants who attend Cooperative Extension's FSNEP classes learn the importance of making affordable, healthy food choices. They are also taught how to read a food label, prepare and store food safely to prevent food borne illness, and stretch their food dollar. Matching funds are provided by the U.S. Department of Agriculture, via the University of California, Davis. The County general funds will support 50% of a full-time nutrition educator, and the USDA funds will support the other 50% of this position.

On February 2, 2010, the Board of Commissioners approved a sublease agreement between the Housing Authority and the County which enabled the Housing Authority to lease approximately 1,035 square feet of office space located at 335-337 East Avenue K-10 in the City of Lancaster, for use by the Cooperative Extension program. The move was requested by the Fifth District and resulted in increased rental costs of \$15,000 annually.

The County's Supplemental Budget will be presented for approval to the Board of Supervisors on September 28, 2010; the Supplemental Budget will include the request to use \$45,000 in County general funds to support the FSNEP and to cover the increased rental costs.

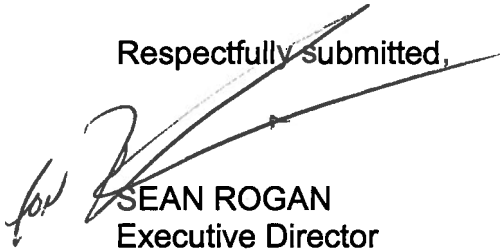
ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. The action is also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROJECT

The acceptance and incorporation of funds will enable the Housing Authority to provide nutrition education to families and seniors in Los Angeles County and cover the cost of office space for the Cooperative Extension program.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'for SEAN ROGAN', is written over the typed name and title. The signature is stylized and slanted.

SEAN ROGAN
Executive Director



**HOUSING AUTHORITY
of the County of Los Angeles**

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**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

Sean Rogan
Executive Director

September 22, 2010

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755

Dear Commissioners:

**APPROVE THE AMENDMENT TO THE SECTION 8 PROGRAM ADMINISTRATIVE
PLAN FOR THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES
(ALL DISTRICTS)**

SUBJECT

This letter recommends approval of the Housing Authority's amended Administrative Plan for Fiscal Year 2010-2011. The Administrative Plan contains the policies and procedures that govern the Housing Authority's administration of the Section 8 program.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Recommend that the Board of Commissioners approve the amended Administrative Plan, as required by the U.S. Department of Housing and Urban Development (HUD), to update the Housing Authority's policies.
2. Recommend that the Board of Commissioners find that the amended Administrative Plan for Fiscal Year 2010-2011 is not subject to the provisions of the California Environmental Quality Act (CEQA) because it will not have the potential for causing a significant effect on the environment.

PURPOSE AND JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to adopt several proposed revisions to the Section 8 Program Administrative Plan.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. Operating funds for the Section 8 Program are allocated through a separate budgetary process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Title 24 of the Code of Federal Regulations, part 982.54, mandates that public housing authorities adopt a written Administrative Plan that establishes policies for the administration of the Section 8 program in accordance with HUD requirements. The Administrative Plan must state Housing Authority policy on matters for which the Housing Authority has discretion to establish policy. The Administrative Plan and any revisions must be formally adopted by your Board. The Administrative Plan was last approved by your Board on June 23, 2010.

The Housing Authority is proposing three policy changes to its Administrative Plan:

First, under the current Administrative Plan, each time a Section 8 participant moves, the Housing Authority processes the new Housing Assistance Payments (HAP) contract as an annual reexamination, changes the next reexamination date (anniversary date) to twelve months following the move, and prohibits the participant from moving again prior to the new reexamination date. This was the most efficient process to reduce the number of times per year the Housing Authority needed to verify participant income and other family circumstances.

Recent HUD changes to verification requirements have made the contracting process more efficient by no longer requiring public housing agencies to re-verify all participant information when processing new HAP contracts. Therefore, under the amended Administrative Plan, the Housing Authority will discontinue its current practice of processing HAP contracts as annual reexaminations and changing the anniversary date for participants when they move. The Housing Authority will now use the anniversary date of the initial contract for new participants and the anniversary date of the prevailing contract on the date of this change for continuing participants.

Second, under the current Administrative Plan the Housing Authority requires all participants and owners to extend their lease for 12 months at the anniversary of their lease and contract. This process has had the unintended consequence of encouraging more participants to move, thus increasing staff workload.

Now, to further streamline program requirements and processing time and to promote stable housing among program participants, the Housing Authority will no longer require a 12-month lease renewal each year.

Honorable Housing Commissioners
September 22, 2010
Page 3

Third, under the current Administrative Plan the Housing Authority may allow an owner to repay overpaid rent payments under a repayment agreement for a maximum of 12 months.

Under the amended Administrative Plan, permitted repayment agreements may not exceed two months. After that, the Housing Authority may pursue collection on the debt.

ENVIRONMENTAL DOCUMENTATION

Adoption of this amended Annual Plan is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. This action is also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

Prior to implementation of any particular project, the Housing Authority will submit an Environmental Service Request to the Community Development Commission's Environmental Services Unit for review. Each project will receive an environmental clearance in accordance with CEQA Guidelines and NEPA regulations before proceeding with the project.

IMPACT ON CURRENT PROGRAMS

There is no significant impact to the Section 8 Program.

Respectfully submitted,

for

SEAN ROGAN
Executive Director

Enclosures

**CHAPTER 9:
THE NEW CONTRACT PROCESS - REQUEST FOR TENANCY
APPROVAL AND CONTRACT EXECUTION**

9.1 INTRODUCTION

[24 CFR §982.302(b) and 24 CFR §982.353(b)]

After families are issued a voucher, they may search for a unit anywhere within the Housing Authority's jurisdiction, or outside of the Housing Authority's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner who is willing to enter into a Housing Assistance Payments (HAP) contract with the Housing Authority. This chapter defines the types of eligible housing, the Housing Authority's policies which pertain to lease requirements, owner disapproval, and the processing of Requests for Tenancy Approval (RTA).

9.2 REQUEST FOR TENANCY APPROVAL

[24 CFR §982.302(c) and §982.305]

The family must submit the RTA and a copy of the proposed lease during the term of the voucher. For current participants submitting an RTA, the family must also submit a copy of their lease termination notice along with the RTA, unless the notice was previously submitted. No RTA for a current participant will be processed unless there is a copy of the lease termination notice for the currently assisted unit either attached to the RTA or in the family's file.

Both the owner and the voucher holder must sign the RTA.

The Housing Authority will not permit the family to submit more than one RTA at a time.

The RTA will be approved if [24 CFR §982.302(d)]:

1. The unit is an eligible type of housing;
2. The unit passes an inspection (based on HUD's Housing Quality Standards and the Housing Authority's requirements, detailed in Chapter 10);
3. The rent is reasonable and affordable to the voucher holder;
4. The security deposit amount is approvable;
5. The proposed lease complies with HUD and Housing Authority requirements, and State and local law;
6. The owner is approvable, and there are no conflicts of interest; and
7. All applicable lead-based paint disclosure requirements have been met. See Section 10.4 (Lead-Based Paint) for additional policies.

**9.2.1 Disapproval of RTA
[24 CFR §982.302(d) and §982.305]**

If the Housing Authority determines that the RTA cannot be approved for any reason, the owner and the family will be notified in writing. The Housing Authority will instruct the owner and family of the steps that are necessary to approve the Request.

The owner will be given 5 calendar days to submit an approvable RTA from the date of disapproval unless the reason for the disapproval is the result of multiple failed inspections (three or more failed HQS inspections).

When, for any reason, an RTA is not approved, the Housing Authority will furnish another RTA form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

The Housing Authority will suspend the term of the voucher while the RTA is being processed. Therefore, the length of time allotted to a family for the purpose of locating another unit will be based on the number of days left on the term of the voucher at the time the RTA was submitted to the Housing Authority [24 CFR §982.303(b)].

**9.3 ELIGIBLE TYPES OF HOUSING
[24 CFR §982.352]**

The Housing Authority will approve the following types of housing in the voucher program:

- Single-family dwellings, including condos and townhouses.
- Manufactured homes where the family leases the mobile home and the pad [24 CFR §982.620(a)(2)].
- Manufactured homes where the family owns the mobile home and leases the pad [24 CFR §982.620(a)(3)].
- Multifamily dwellings (apartment buildings).
- Units owned but not subsidized by the Housing Authority (HUD-prescribed requirement).

A family can own a rental unit but cannot reside in it while being assisted, except in the cases involving manufactured homes when the family owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.

The Housing Authority may not permit a voucher holder to lease a unit that is receiving project-based Section 8 assistance or any duplicative rental subsidies.

**9.3.1 Special Housing Types
[24 CFR §982.601]**

The Housing Authority must permit use of all special housing type listed below, if needed as a reasonable accommodation so the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR Part 8.

- Congregate housing
- Group home
- Shared housing
- Cooperative housing (excluding families that are not cooperative members)
- Homeownership (if homeownership program is available)
- Single Room Occupancy (SRO)

9.3.2 Ineligible Housing Types
[24 CFR §982.352(a)]

The Housing Authority will not approve:

- A unit occupied by the owner or by any person with an interest in the unit, other than manufactured homes described above.
- Nursing homes or other institutions that provide care.
- School dormitories and institutional housing.
- Structures that have not been properly converted. Owners will be required to provide finalized permits for all conversion work when the integrity and/or soundness of a structure is in question.
- Converted garages or other structures not intended to be living areas.
- Any other types of housing prohibited by HUD.

9.4 RESTRICTIONS ON RENTING TO RELATIVES
[24 CFR §982.306(d)]

In accordance with HUD policy, the family will not be allowed to rent a unit from an owner (including a principal or other interested party) who is the spouse, parent, child, grandparent, grandchild, and sister or brother of any member of the family. This restriction applies to all new contracts entered into after June 16, 1998.

Exceptions may be made to this policy as a reasonable accommodation for persons with a disability. The Housing Authority will review all such requests on a case-by-case basis. The family will be required to provide documentation of disability and how the particular unit, owned by the relative, could benefit the disabled person. Owners must provide the current address of their residence (not a Post Office box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit's address.

Owners must provide an Employer Identification Number or Social Security number, and may also be required to provide a copy of their driver's license or other photo identification. In addition, the Housing Authority may request a copy of the owner's current utility bills and bank statement.

Failure to provide adequate documentation, within the specified time period (2 weeks), will be grounds for denial of such request.

In all cases, the owner of the assisted unit may not reside in the unit with the assisted household at any time during the term of the Housing Assistance Payment (HAP) Contract between the Housing Authority and the owner.

9.5 LEASE AGREEMENTS
[24 CFR §982.308 - §982.309]

The tenant and the owner must enter a written lease for the unit. If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form, plus the required HUD Tenancy Addendum, which the Housing Authority will provide to the owner.

The Housing Authority will review the lease for compliance with regulations. At minimum, the lease must specify the following information:

- The names of the owner and tenant;
- The address of the unit rented;
- The term of the lease including the initial term and any provisions for renewal;
- The amount of the monthly rent to owner; and
- A specification of which utilities and appliances will be supplied by the owner, and which by the family.

The lease must provide the following are grounds for the owner to terminate tenancy [24 CFR §982.310(c)]:

- Drug- related criminal activity engaged in, on or near the premises by any tenant, household member, or guest, or such activity engaged in on the premises by any other person under the tenant's control. In addition, the lease must provide that the owner may evict a family when the owner determines that a household member is illegally using a drug or when the owner determines that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Any of the following types of criminal activity by a covered person:
 - Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises);
 - Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or
 - Any violent criminal activity on or near the premises by a tenant, household member, or guest, or any such activity on the premises by any other person under the tenant's control.
- If a tenant is:
 - Fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or

- Violating a condition of probation or parole imposed under Federal or State law.

When needed, the Housing Authority may require the owner and family to execute a lease rider to include changes to the rent amount, changes to utility responsibilities and/or effective date on the owner's original lease.

The effective date of the lease and the HAP contract will be based on the date the unit passed inspection or the family took possession of the unit, whichever is later. For this purpose, the family is considered to be in possession of the unit when the family has a key to the unit and the unit is fully available for the family's exclusive use [24 CFR §982.305(b)].

9.5.1 Separate Agreements **[24 CFR §982.510(c)]**

Separate agreements are not necessarily prohibited. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.

Owners and families may execute separate agreements for services (parking space), appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the Housing Authority.

Any appliances, services or other items which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

The Housing Authority is not liable for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

All agreements for special items or services must be attached to the lease approved by the Housing Authority. If agreements are entered into at a later date, they must be approved by the Housing Authority and attached to the lease.

9.6 INITIAL INSPECTIONS

See Chapter 10 (Housing Quality Standards and Inspections).

9.7 RENT LIMITATIONS **[24 CFR §982.508]**

In accordance with HUD regulations, at the time the family initially receives assistance for a new unit, the family's share of the rent for the unit (includes

utilities and the rent to the owner) may not exceed more than 40 percent of the family's adjusted monthly income if the gross rent for the unit exceeds the payment standard. Although HUD does not place limits on the amount that a family may contribute towards rent (if the family is a continuing family or the gross rent for an initial lease does not exceed the payment standard), the Housing Authority is concerned about affordability. Therefore, whenever a family is contributing more than 60 percent of their adjusted family income towards rent, the family will be required to attend a Housing Authority affordability counseling session. Trained staff will review the family's financial situation and review the family's ability to meet their rental obligation. If the family discloses that they are concerned about their ability to meet their rental obligation, the Housing Authority will work with the family to help them locate another affordable unit. If the family indicates that they are able to meet all of their current financial obligations, the family will be allowed to proceed with their request to remain in the current contracted unit. A notation will be made in the family's file.

9.8 RENT REASONABLENESS
[24 CFR §982.507(a)(1)]

A rent reasonable test will be used to determine if the rent amount request by the owner can be approved. The Housing Authority's rent reasonableness policy, including appeals process, is covered in Chapter 11 (Setting Payment Standards and Determining Rent Reasonableness).

9.9 WHEN A NEW CONTRACT IS REQUIRED FOR AN EXISTING TENANCY

A new tenancy must be approved and a new contract must be executed for an existing tenancy only under the following circumstances:

- If the owner or family request a new lease;
- If there are any changes in lease requirements governing tenant or owner responsibilities for utilities or appliances; or
- If there are changes to provisions governing the terms of the lease.

9.10 INFORMATION TO OWNERS
[24 CFR §982.307(b)]

The Housing Authority is required to provide prospective owners with the address of the applicant and the names and addresses of the current and previous owner if known. The Housing Authority will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection. The Housing Authority will not release any other information regarding the family.

The Housing Authority will inform owners that it is the responsibility of the owner to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, eviction history, damage to units, and other factors related to the family's suitability as a tenant [24 CFR §982.307(a)].

Information regarding the Housing Authority's policy on this subject is included in the briefing packet and as an attachment to the Request for Tenancy Approval. This policy will apply uniformly to all families and owners.

In addition to the information listed above, the Housing Authority provides owner workshops at least twice a year. At the workshops, current and prospective owners are given an overview of the program and information about any significant program changes. There is also ample time for a question and answer session.

9.11 OWNER DISAPPROVAL
[24 CFR §982.306(a) - §982.306(c)(4)]

For purposes of this section, "owner" includes a principal or other interested party, and to disapprove an owner means to prevent the participation of an owner in Housing Authority programs.

The Housing Authority is required to disapprove an owner for the following reasons:

- HUD has informed the Housing Authority that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR Part 24.
- HUD has informed the Housing Authority that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.
- HUD has informed the Housing Authority that a court or administrative agency has determined that the owner violated the Fair Housing Act or other Federal equal opportunity requirements.
- If the owner is the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of the family.

The Housing Authority also maintains the discretion to disapprove an owner for the reasons listed below. The Housing Authority may disapprove an owner for a period of 1 year for the following reasons:

- The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).
- The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program.
- The owner has a history or practice of renting units that fail to meet State or local housing codes;
- The owner has not obtained a business license for rental property for the assisted unit, where required by local ordinance; or
- The owner has not paid State or local real estate taxes, fines or assessments.

An owner may be disapproved for a period of up to 5 years for the following reasons:

- The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
- The owner has a history or practice of failing to terminate tenancy of Section 8-assisted tenants, or tenants assisted under any other federally-assisted housing program, for activity engaged in by the tenant, any member of the household, guest or another person under the control of any member of the household that:
 - Threatens the right to peaceful enjoyment of the premises by other residents;
 - Threatens the health or safety of other residents, of employees of the Housing Authority, or of owner employees or other persons engaged in management of the housing;
 - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or commits drug related criminal activity or violent criminal activity.

An owner may be disapproved for a period of up to 10 years for the following reason:

- The owner has engaged in any drug-related criminal activity or any violent criminal activity.

If an owner disagrees with the Housing Authority's disapproval, the owner may appeal the decision in writing within 10 calendar days from receiving the Housing Authority's decision. A supervisor will review the appeal and prepare a written decision within 30 calendar days after receiving the request. The decision of the supervisor is final.

9.12 CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

When the family reports changes in factors that will affect the Total Tenant Payment (TTP) prior to the effective date of the HAP contract, the information will be verified and the TTP will be recalculated. If the family does not report any change, the Housing Authority need not obtain new verifications before the HAP contract becomes effective.

If the contract is for a participant move and is processed as an annual reexamination, the family's income and other circumstances will be re-verified. If the new contract is effective within four months of the last annual reexamination, the Housing Authority will verify any reported changes. Any new verified information will be used together with information from the last annual reexamination to determine the family share of rent and the housing assistance payment.

9.13 CONTRACT EXECUTION PROCESS
[24 CFR §982.305(c)]

Provided that the unit passes inspection, the Housing Authority will prepare the HAP contract for execution. The family and the owner will execute the lease agreement, and the owner and the Housing Authority will execute the HAP contract. Copies of the documents will be furnished to the parties who signed the respective documents.

The Housing Authority makes every effort to execute the HAP contract before the commencement of the lease term. The HAP contract may not be executed more than 60 calendar days after commencement of the lease term and no payments will be made until the contract is executed.

~~Verification documents may not be more than 120 days old at the time of the contract effective date.~~

The following Housing Authority representatives are authorized to execute a contract on behalf of the Housing Authority: Assisted Housing's Division Director, Assistant Director, Managers, Assistant Managers and Supervisors.

Owners must provide the current address of their residence (not a Post Office box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit's address.

Owners must provide an Employer Identification Number or Social Security number, and may also be required to provide a copy of their driver's license or other photo identification.

9.13.1 Determining the Contract Effective Date

The effective date and the amount of the rental payment is communicated in writing to both the owner and family.

If the owner and the family have entered into a lease and provide a copy of the lease with the RTA, the effective date of the contract will be either:

1. The date the unit passed inspection (for families residing in the unit prior to the inspection date), or
2. The date that the Housing Authority authorized the owner to allow the family to take possession of the unit.

The contract effective date will be based on the later of these two dates. If the owner and the family have not executed a lease prior to the HAP contract negotiation process, then the HAP contract will become effective once the lease has been properly executed by both parties.

9.13.2 Prorating First Month's Rent

When the effective date of a new contract begins on a day other than the first of the month, the Housing Authority will determine a prorated contract rent amount. For consistency with rental industry standards, prorated amounts will be calculated by using 30 days to establish a daily rate (refer to 3/3/05 memo).

9.13.3 Proof Of Ownership

The Housing Authority will use property profile information obtained from a private vendor to confirm ownership of the assisted unit. If third party information cannot confirm ownership of the unit, the Housing Authority may also request a recorded deed or closing escrow statement to prove ownership.

Owners may also be required to provide a copy of a business rental license if the assisted unit is in a city where one is required.

Any requested information must be provided prior to execution of the HAP contract. Failure to provide the requested information within a reasonable period of time, generally not more than 30 calendar days, will result in a cancellation of the RTA.

9.13.4 Establishing Eligibility To Execute HAP Contract and Related Documents

In cases involving multiple owners, the Housing Authority will accept the signature of a designee on all contracts and related paperwork if all the legal owners have jointly agreed on the person/persons who may act on their behalf.

In cases involving multiple owners, the Housing Authority requires that all persons who have interest in the property sign or provide a letter of authorization, giving one or more parties the right to sign contracts and other program documents.

In cases involving a partnership or corporation, the Housing Authority may request the partnership agreement or incorporation documents to determine who is designated to act on the group's behalf. In cases involving a trust, the Housing Authority may request a copy of the trust in order to verify the names of the trustees.

The Housing Authority will not execute a HAP Contract until all proper authorization, from all appropriate parties, has been provided. Failure to provide information needed to establish authority to execute the HAP contract within a reasonable time, generally 30 calendar days, may result in a cancellation of the RTA.

Once the Housing Authority has established proper authorization, the letter of authorization will remain in effect until superseded by another authorization or the HAP contract is terminated. All changes or modification to the instructions provided in the current letter of authorization must be provided in writing.

9.13.5 Payment To The Owner **[24 CFR §982.311(a)]**

Once the HAP Contract is executed, the Housing Authority begins processing payments to the owner. Because the Housing Authority's sole method of payment to owners is direct deposit, new and existing owners must provide the necessary information for enrollment in the Housing Authority's direct deposit program. Payments will be made via direct deposit by the first of each month. Owners must notify the Housing Authority of any missing payments as soon as possible. The Housing Authority will accept report of missing payment both via a telephone call and/or in writing.

9.14 CHANGE IN OWNERSHIP

A change in ownership does not require execution of a new contract.

The Housing Authority will process a change of ownership only upon the written request of the previous or new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title and the Employee Identification Number or Social Security number of the new owner.

In order to complete a change of ownership, the new owner must complete an Assumptions of Obligations and Benefits contract. This form obligates the new owner to the HAP contract. The Housing Authority will provide this document once a written request for a change is received.

When the assumption contract has been executed, the Housing Authority will send a copy of it, along with a copy of the original HAP contract and lease, to the new owner.

New owners are subject to the Housing Authority's owner disapproval policy as detailed in Section 9.10 of this chapter.

CHAPTER 12: RE-EXAMINATION

12.1 INTRODUCTION [24 CFR §982.516(a)]

To assure that tenancy is restricted to participants meeting the eligibility requirements for continued occupancy and are charged appropriate rents; the eligibility status of each participant is re-examined at least annually, based on the anniversary date of the HAP contract, per HUD requirements. The initial contract establishes the anniversary date for all new admissions. For continuing participants, the anniversary date established as of February 2011 will remain unchanged.

~~The Housing Authority will only change the anniversary date at the time of a new contract, and at other times as necessary, per management approval.~~ The effective date of an annual reexamination may be no more than twelve months from the effective date of the previous year's annual reexamination, or the anniversary date of the HAP contract if within the first year of the contract.

12.1.1 Procedure

To maintain program efficiency and integrity, the Housing Authority at its own discretion may conduct re-examination interviews by mail or in-person. The Housing Authority will attempt to conduct all annual re-examinations interviews through the mail. Annual re-examinations not completed through the mail process will be conducted in person.

12.2 RE-EXAMINATION NOTIFICATION TO THE FAMILY

Participating families are advised of the annual re-examination requirement and the importance of reporting income and family composition changes as they occur during the initial re-examination.

12.2.1 Persons with Disabilities [24 CFR §8.24(a)]

Persons with disabilities who are unable to come in to the Housing Authority's office will be granted a reasonable accommodation of conducting the interview at the person's home or by mail, upon verification that the accommodation requested meets the need presented by the disability.

12.2.2 Requirements to Attend

If it is determined that a participant (family) will need to come to the Housing Authority's office then all adult household members 18 years and older will be required to attend the re-examination interview.

12.2.3 Failure to Respond

If a family fails to complete or return the required re-examination documents within the specified timeframe, the Housing Authority will schedule the family for

a mandatory appointment. The appointment letter will provide the date and time of the appointment and a list of items that family will need to bring.

If the family fails to attend the appointment or fails to bring all the required information, the Housing Authority may proceed to propose termination of the family's assistance.

If the family is able to provide documentation of an emergency situation that prevented them from completing the required re-examination documents or attending the mandatory appointment, the Unit Supervisor at his/her own discretion may, on a case-by-case basis reschedule the appointment. The Housing Authority may also grant an exception to this policy as a reasonable accommodation.

12.2.4 Documents Required from the Family

The re-examination documents will include instructions and appropriate forms that need to be submitted to complete the re-examination. The required forms and documentation are the following:

1. Documentation of income for all family members;
2. Documentation of assets;
3. Documentation of medical or child care expenses;
4. Certified statement of family obligations;
5. Consent for Release of Information (signed by all household members over 18 years of age); and
6. Compliance Check/Home Visit form.

Verification of these documents will be conducted in accordance with Housing Authority procedures and guidelines described in this plan.

12.2.5 Lease Extension Requirement

~~At each annual reexamination, the Housing Authority will require evidence that a valid lease exists between the owner and the tenant. Therefore, the Housing Authority will require all owners and participants to execute a 12-month extension to the current lease, to be effective on the anniversary date of the contract.~~

~~If the owner refuses to execute a lease extension, the Housing Authority will not consider the HAP contract valid upon expiration of the current lease. All housing assistance payments will cease upon expiration of the HAP contract and lease. The Housing Authority will issue a voucher to the family so they may locate another unit.~~

~~If the family does not wish to execute a lease extension, the family may request a voucher to locate another unit and submit at least a 30-day notice to vacate to the owner and the Housing Authority. If the owner does not wish to execute a lease extension with the family, a 90-day notice must be given to the family by the owner. Neither notice will be accepted if it requires the family to move more than once in a 12-month period.~~

~~If the family does not move from a unit for which no lease extension was executed and the HAP contract expires, the family's assistance will be terminated when 180 calendar days have elapsed since the last housing assistance payment was made (see section 15.2.2).~~

~~If the family is in the process of moving but is still residing in the assisted unit under a month-to-month agreement, the Housing Authority will, if necessary, agree to extend the HAP contract with the owner until the family's voucher expires.~~

~~If the owner and tenant have negotiated a new lease where the terms of utility responsibility or appliance ownership have changed, the Housing Authority must receive a copy of the new lease and a new contract must be executed, including a new contract inspection. An extension to the current lease does not require a new contract and the owner and tenant are not subject to the same limitations as during the initial term of the lease.~~

12.2.6 12.2.5 Tenant Rent Increases

If the tenant rent increases, a 30-day notice of increase in rent is mailed to the family before the anniversary date.

If less than 30 calendar days are remaining before the anniversary date, the new tenant rent will be effective on the first of the month following the 30-day notice, but the reexamination will be effective no more than 12 months from the effective date of the last annual reexamination. If the Housing Authority was unable to process the re-examination on a timely basis due to the family's failure to provide re-examination documents, then the rent increase will be effective retroactive to the appropriate anniversary date.

If the family causes a delay in the re-examination processing, there will be a retroactive increase in rent to the anniversary date. In this particular case, the owner will receive a retroactive HAP payment and every effort will be made to recover lost rent from the tenant.

12.2.7 12.2.6 Tenant Rent Decreases

If the tenant rent decreases, it will be effective on the later of the anniversary date or the first day of the month following the completion of the reexamination processing. No annual reexamination may be effective more than 12 months from the effective date of the last annual reexamination.

12.3 INTERIM RE-EXAMINATION **[24 CFR §982.516(b)(3)]**

No TTP adjustments will be affected between dates of periodic re-examination or pre-scheduled re-examinations except as noted below:

Tenants are required to submit information affecting eligibility income at all re-examinations. Additionally, tenants are required to report the following changes in family circumstances:

1. Changes in family composition, including loss or addition of one or more family members through death, divorce, birth, or adoption [24 CFR §982.516(c)], and
2. Decreases in income received by the family

A family is required to report these changes to the Housing Authority within 30 calendar days after the change has occurred. The Housing Authority will verify all reported information that will result in an interim reexamination. No action will be taken if a family reports changes it is not required to report.

If, during the course of an interim reexamination conducted for a reported decrease in income, it is discovered that a family member is no longer eligible for an allowance (i.e. a minor has turned 18 and is no longer a full-time student), the case worker will determine how the loss of allowance will affect the TTP. If the loss of allowance results in an increase to the TTP, even though the family's income has decreased, the Housing Authority will not complete the interim reexamination unless requested by the family to do so.

If, during the course of an interim reexamination conducted for a reported change in family composition, it is discovered that a family member is no longer eligible for an allowance, the Housing Authority will continue to process the interim reexamination regardless of the affect on the TTP.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular re-examination after moving into the unit. See Section 7.10.7 (Verification of Citizenship/Eligible Immigration Status) for details.

12.3.1 Interim Changes in Income

- **Decreases**: If the information provided results in a decrease in tenant rent, a modification to the HAP Contract is executed to be effective the first of the month following the month in which the required documentation is supplied by the participant.
- **Increases**: If the information provided results in an increase in tenant rent, the Housing Authority will not conduct an interim reexamination, unless specifically requested by the family to do so. This policy does not apply to reported changes in family composition. All income for a new family member will be counted and used to calculate the family's TTP. If this information results in an increase in tenant rent, the family will be given a 30-day notice before the new rent amount is effective.
- **No Action**: The Housing Authority will not process an interim reexamination if the family reports a loss of welfare benefits due to fraud, failure to participate in economic self-sufficiency programs, or noncompliance with a work activities requirement.
- **Social Security Overpayments**: If the family has experienced a decrease in Social Security or SSI income due to an overpayment, the Housing Authority will calculate income based on the net amount only for the specific period of the decrease. Once the overpayment period is over, the Housing Authority will process an interim reexamination using the gross amount of Social Security or SSI.

12.4 SPECIAL ADJUSTMENTS

If, at the time of re-examination, a family is clearly of low-income, and it is not possible to make an estimate of the family's income for the next 12-month period, a special re-examination will be scheduled to accommodate the family's circumstances. This includes cases where:

1. A tenant is unemployed and there are no anticipated prospects of employment, or
2. The conditions of employment and/or receipt of income are too unstable to validate usual and normal standards for determination. An interim re-examination will be scheduled for families with zero or unstable income every 3 months.

Families whose past employment has been sporadic or who are on welfare, become employed, then are unemployed, or are self-employed, will not be given special re-examination. If such an income pattern has been established and is expected to continue, then a reasonable 12-month estimate of the income may be based upon past income and present rate of income.

Furthermore, special re-examinations must be clearly set for a definite time to assure compliance.

12.5 CHANGES IN FAMILY COMPOSITION **[24 CFR §982.516(c) and 24 CFR §982.551(h)(2)]**

The composition of the assisted family residing in the unit must be approved by the Housing Authority. An interim re-examination will be conducted for any changes in family composition.

The Housing Authority may verify changes in family composition as detailed in Section 7.10.5.

12.5.1 Allowable Family Additions **[24 CFR §982.551(h)(2)]**

Allowable family additions are the following:

1. Addition due to birth, adoption or court awarded custody
 - Must be reported to the Housing Authority, in writing, within 30 calendar days of the occurrence. Families should notify the owner and comply with any lease requirements to obtain owner approval.
2. Other allowable persons:
 - Addition of marriage/or marital type relation (i.e., couples that certify that they intend to live in the same principal residence indefinitely and/ or register in California as domestic partners);
 - Addition of a minor who is a child of the head of household, co-head, spouse or marital-type partner, who have been living elsewhere; and
 - Addition of a Housing Authority-approved live-in aide;
 - Addition of an adult child due to recent discharge from the military.

- Addition of an adult who is not a marital or marital-type relation due to a disability.

The family must request approval from the owner and the Housing Authority before the person is added. Anyone who moves into the unit without written owner and Housing Authority approval is considered an unauthorized person.

As part of the approval process, the Housing Authority conducts a criminal background check, and may also conduct a credit review, on all new potential family members, 18 years of age and older. Criminal records will only be used to screen new household members. They will not be used for lease enforcement or eviction of residents already receiving tenant-based rental assistance.

If an approved change requires a larger size unit due to overcrowding, the change in voucher size will be made effective immediately (see Chapter 5). The Housing Authority will determine the assistance, based on funding availability.

12.5.2 Decreases in Family Size

When a family member leaves the household, the absence must be reported to the Housing Authority, in writing, within 30 calendar days of the occurrence, as detailed in Section 6.8.9 (Reporting Absences to the Housing Authority). The change in family composition may impact the voucher size, as explained in Chapter 5 (Subsidy Standards).

If a decrease in family size results in a decrease of the voucher size, the Housing Authority may exercise the option to downsize the family's voucher to the appropriate size at the family's next annual review following the reduction in household size.

The Housing Authority may make an exception as a reasonable accommodation for a person with a disability.

12.6 CONTINUATION OF ASSISTANCE FOR "MIXED" FAMILIES **[24 CFR §5.504(b)]**

Families that include at least one citizen or eligible immigrant, and any number of ineligible members, are considered "mixed" families.

"Mixed" families that were participants on or before June 19, 1995, shall continue full assistance if they meet the following criteria:

1. The head of household, co-head, or spouse is a U.S. citizen or has eligible immigrant status, **and**
2. All members of the family other than head, co-head, spouse, parents of head, parents of co-head, parents of spouse, children of head, co-head, or spouse are citizens or eligible immigrants. The family may change the head of household designation to another adult member of the family to qualify under this provision.

If they do not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move, or the family may choose prorated assistance.

CHAPTER 13: ALLOWABLE MOVES/PORTABILITY

13.1 INTRODUCTION

This chapter defines the procedures, restrictions and limitations for moving, for new applicants and current participants.

As stated in HUD regulations, eligible families participating in the Housing Choice Voucher Program have the right to receive tenant-based voucher assistance anywhere in the United States, in the jurisdiction of a public housing agency (PHA) administering a Housing Choice Voucher program. This program feature is called "portability." This chapter includes the Housing Authority's procedures for new applicants and current participants that "port out" of the Housing Authority's jurisdiction.

Additionally, this chapter specifies the Housing Authority's policies for receiving "incoming ports" from other public housing agencies.

The option of portability does not apply to families assisted under the Moderate Rehabilitation Program.

13.2 ALLOWABLE MOVES AND RESTRICTIONS

13.2.1 Restrictions on Moves

The Housing Authority may deny families permission to move if:

- There is insufficient funding for continued assistance;
- The family has violated a family obligation;
- The family is in the initial term of the lease (see 13.2.4 for exceptions);
- The family has already moved within the one-year period;
- The family owes money to this Housing Authority or another PHA. See Section 17.2 (Repayment Agreements for Families) for more information on allowable moves for families with repayment agreements; or
- There is insufficient funding to support a move with continued assistance.

In the event of insufficient funding, the Housing Authority may only deny a move to a higher cost area if the Housing Authority would not be unable to avoid termination of housing choice voucher assistance for current participants during the calendar year in order to remain within budgetary allocation (including any available HAP reserve). If the receiving PHA is willing to absorb the voucher, the Housing Authority may not deny the move to the higher cost area due to insufficient funding.

13.2.2 Allowable Moves for New Applicants
[24 CFR §982.353]

A family who lives and/or works in the Housing Authority's jurisdiction at the time they are admitted to the Housing Choice Voucher Program may choose, as their initial housing:

- To remain in their current unit (this is referred to as leasing-in-place);
- A unit anywhere within this Housing Authority's jurisdiction; or
- A unit outside of this Housing Authority's jurisdiction. For more information, see the Outgoing Portability section of this chapter.

A family who does not live or work in this Housing Authority's jurisdiction at the time they are admitted to the Housing Choice Voucher Program must initially locate a unit within this Housing Authority's jurisdiction in order to receive assistance. The family does not have any right to portability until they have resided in this Housing Authority's jurisdiction for at least 12 months [24 CFR §982.353(c)].

- Under limited conditions, the Housing Authority may waive this requirement. Examples of situations that may warrant an exception to this rule include life-threatening situations or as a reasonable accommodation. However, in all cases both the Housing Authority and the receiving jurisdiction must agree to allow the move. If the receiving public housing agency does not agree, the Housing Authority will not approve a transfer [24 CFR §982.353(c)(3)].

13.2.3 Allowable Moves for Current Participants
[24 CFR §982.314]

A family that initially receives assistance for a unit leased in this Housing Authority's jurisdiction may request to move to another unit and receive continued assistance. Families in good standing may move with continued assistance if:

1. The assisted lease for the old unit has ended because the Housing Authority has terminated the HAP contract for owner breach [24 CFR §982.314(b)(1)(i)];
2. The lease was terminated by mutual agreement of the owner and the family [24 CFR §982.314(b)(1)(ii)]. The Housing Authority must receive a copy of this notice. The Housing Authority will not approve the mutual lease termination during the first year of the lease;
3. The owner has given the family a notice to vacate for reasons other than a lease violation [24 CFR §982.314(b)(2)]. The Housing Authority must receive a copy of this notice; or
4. The family has given proper written notice of lease termination after the initial lease term and in accordance with State law. This generally requires a 30-day notice. The Housing Authority must receive a copy of this notice.

A family is considered to be in good standing if they have not violated the terms of the lease, any program regulations and do not owe any money to this Housing Authority or another public housing agency.

Families that are eligible to move with continued assistance may choose to move to a unit that is:

- **Within this Housing Authority's jurisdiction.** This type of a move is called a "reserve vacate." This means that the family is moving from a unit, which could result in a temporary vacancy in the program until another unit is secured; however, the slot remains reserved for the family until the time they lease another unit.
- **Outside Housing Authority's jurisdiction.** See the Outgoing Portability section of this chapter for more information.

13.2.4 Restrictions on Moves During the Initial Lease **[24 CFR §982.314(c) and §982.314(e)]**

Generally, families will not be permitted to move during the initial lease (12 months), or more than once in any 12-month period except as noted below:

1. **Life-Threatening Situations** (witness to or victim of a crime, victims of domestic violence, dating violence, and stalking; HQS emergency items, natural disaster, unsafe environment, etc.)
2. **Reasonable Accommodation:** A family may request to move to accommodate a disability. The Housing Authority may approve the move as a reasonable accommodation and grant the request to move. However, the owner of the property must agree to release the tenant from the lease.

13.3 PROCEDURES FOR MOVES FOR CURRENT PARTICIPANTS **[24 CFR §982.314(d)]**

Eligible families who wish to move must first provide the Housing Authority a written request for a voucher or a copy of the lease termination notice provided to the owner. Once the Housing Authority has received either the request for a voucher or a copy of the lease termination notice, the family will be issued a new voucher. ~~If the income-reexamination is current (within 60-12 daysmonths) the Housing Authority will not conduct a reexamination before issuing the voucher and unless there are ~~no~~ reported changes to income or the family composition that would require an interim reexamination, the Housing Authority will not be required to conduct a reexamination. If the family's income is not current (within 60 days) and/or there are reported changes in family composition, a reexamination will be conducted before a new voucher may be issued.~~

At the same time the voucher is issued, the family will receive a Request for Tenancy Approval (RTA). The family should begin looking for housing immediately in order to ensure a smooth transition to the new unit.

Requests to move for families wishing to port to another jurisdiction must be submitted in writing.

To initiate the lease termination, the family must send a written notice to the owner and the Housing Authority no less than 30 calendar days before the vacate date. No RTA or request to transfer (port) will be processed without the proper notice to move.

13.4 OUTGOING PORTABILITY PROCEDURES **[24 CFR §982.355(c)]**

Both new applicants and current participant families must first identify the new jurisdiction where they will be moving. Once the Housing Authority has received this information, the Housing Authority will:

1. Notify the receiving public housing agency (PHA) that the family wishes to relocate into its jurisdiction [24 CFR §982.355(c)(3)];
2. Advise the family how to contact and request assistance from the receiving PHA [24 CFR §982.355(c)(2)]; and
3. Provide the following documents and information to the receiving PHA [24 CFR §982.355(c)(4)]:
 - A copy of the family's voucher, with issue and expiration dates, formally acknowledging the family's ability to move under portability.
 - The most recent HUD 50058 form and verifications.
 - The Family Portability form (HUD-52665).

New applicant families will be subject to the income eligibility requirements of the jurisdiction in which they will be receiving assistance [24 CFR §982.353(d)].

13.4.1 Briefing for Families Wishing to Exercise Portability

Since families wishing to move to another jurisdiction must understand that the policies and procedures of the receiving PHA prevail, the Housing Authority will provide counseling for those families who express an interest in portability. This will include a discussion of difference in payment standards, subsidy standards, and income limits, if applicable.

13.4.2 Payment to the Receiving PHA **[24 CFR §982.355(d) and §982.355(e)]**

If the receiving PHA chooses to administer and bill assistance on the Housing Authority's behalf, the Housing Authority will reimburse the receiving PHA for costs associated with administering the voucher, as specified in HUD regulations.

The receiving PHA must submit to the Housing Authority the initial billing no later than 60 days following the expiration date of the family voucher issued or within 10 days of an executed contract.

The Housing Authority will ensure that the receiving PHA receives all subsequent monthly payments no later than the fifth working day of each month.

13.5 INCOMING PORTABILITY PROCEDURES
[24 CFR §982.355]

Eligible participants in the Housing Choice Voucher Program in other public housing agencies may be assisted in the Housing Authority's jurisdiction.

For a family to port in to the Housing Authority's jurisdiction, the Housing Authority must receive, from the initial PHA:

- The Family Portability form (HUD-52665) with Part I completed.
- A copy of the family's voucher with a valid expiration date.
- The most recent HUD 50058 form and required income verifications supporting the form.

13.5.1 Policies on Absorption and Administration
[24 CFR §982.355(d) and §982.355(e)]

For incoming ports, the Housing Authority may, if funding permits, accept a family with a valid voucher from another jurisdiction and absorb the voucher. The Housing Authority may also exercise the option to administer the initial public housing agency's voucher and bill the initial PHA as authorized in the regulations.

If the Housing Authority chooses to administer, it will submit to the initial PHA an initial billing no later than 60 days following the expiration date of the family voucher issued or within 10 days of an executed contract to ensure timely receipt of payment.

All subsequent monthly billing payments are to be received by the Housing Authority no later than the fifth working day of each month.

13.5.2 Income and Total Tenant Payment Review
[24 CFR §982.355(c)]

The Housing Authority will conduct an initial review of all incoming port families. The Housing Authority will:

- Conduct criminal background and registered sex offender registration checks of family members (see Section 13.5.3 below).
- Verify identifying documents, family income and composition.
- As necessary, the Housing Authority will change the bedroom size of a family's voucher to comply with the Housing Authority's subsidy standards. If this occurs, the family will be notified in writing of the change.
- If family income documents are missing or there has been a change in the family's circumstances, the Housing Authority may re-determine the family's TTP.
- For incoming port families who have not yet leased a unit under the Housing Choice Voucher Program (initial applicants), the Housing Authority must verify that the family meets the Housing Authority's income limits.

If a re-determination is necessary, the Housing Authority will not delay issuing the family a voucher or otherwise delay approval of a unit unless the re-determination reveals that the family is not eligible for assistance in the Housing Authority's jurisdiction. In such cases, the family will be referred to the initial PHA for further assistance [24 CFR §982.355(c)(4)].

In general, all families porting into the Housing Authority's jurisdiction will be issued a Housing Authority voucher. The term of the voucher may not expire before the expiration date noted on the voucher issued by the initial public housing agency. The Housing Authority will determine whether to extend the voucher term, if necessary, based on the Housing Authority's policy for extension. The Housing Authority will notify the initial PHA if such an extension is granted [24 CFR §982.355(c)(6)].

If a family that has ported into the Housing Authority's jurisdiction is unable to locate a unit within the allotted time authorized on the voucher, the Housing Authority will notify the issuing PHA that the voucher did not result in a HAP contract.

Approval of any unit is subject to rent reasonableness and a passed inspection [24 CFR §982.401(a)(3)].

13.5.3 Criminal Background Checks for Incoming Portability **24 CFR §982.355(c)(9) – (10) and PIH Notice 2004-12**

The Housing Authority will conduct criminal background and sex offender registration checks for all incoming portability families and will not delay issuing the family a voucher but will take subsequent necessary action, including up to termination of a family's assistance (see Section 2.8 for details on screening).

The Housing Authority will take the following steps to minimize the number of terminations for families that are porting into its jurisdiction:

- At voucher issuance, families be will informed of the Housing Authority's criminal background policies and that they will be going through a background check and offered an opportunity to return to their originating PHA.
- If it is determined before a contract is effective that a family member is unsuitable due to a criminal background check the family will be given the options of returning to the originating PHA or excluding the culpable family member.
- If it is determined after a contract is effective that a family member is unsuitable and the Housing Authority is billing the originating PHA, the family will have the option of returning to the originating PHA or exclude the culpable household member.
- If it is determined after the contract is effective that a family member is unsuitable and the Housing Authority has absorbed the contract, the family will only have the option of excluding the culpable household member and will not be allowed to return to the originating PHA.

The contract will be terminated if it has been absorbed and if the family chooses not to exclude the culpable household member or there are no other adult eligible household members.

13.5.4 Terminations

In cases where the Housing Authority is administering a contract on behalf of another PHA, the Housing Authority will notify the initial PHA in writing of any termination of assistance within 30 calendar days of the termination.

13.5.5 Informal Hearings/Reviews
[24 CFR §982.555]

If an informal hearing is required and requested by the family, the Housing Authority will conduct the hearing only if the participant has been assisted within the Housing Authority's jurisdiction. Such hearings will be conducted using the regular hearing procedures included in this plan. Families who have not yet received assistance in the Housing Authority's jurisdiction are eligible for informal reviews, as detailed elsewhere in this administrative plan.

The initial PHA will be responsible for collecting amounts owed to that public housing agency by the family for claims paid and for monitoring repayment. If the initial PHA notifies the Housing Authority that the family is in arrears or the family has refused to sign a Repayment Agreement, the Housing Authority will terminate assistance to the family.



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**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

Sean Rogan
Executive Director

September 22, 2010

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755

Dear Commissioners:

**ADOPT RESOLUTION AUTHORIZING ISSUANCE OF MULTIFAMILY HOUSING
MORTGAGE REVENUE BONDS FOR 105TH STREET & NORMANDIE SENIOR
HOUSING, A MULTIFAMILY HOUSING DEVELOPMENT LOCATED IN
UNINCORPORATED WEST ATHENS/WESTMONT
(DISTRICT 2)**

SUBJECT

This letter recommends that your Board authorize the issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds to finance the site acquisition and construction of 105th Street & Normandie Senior Housing, a 62-unit multifamily rental housing development to be located in unincorporated West Athens/Westmont.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Recommend that the Board of Commissioners adopt and instruct the Chair to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, authorizing the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority of the County of Los Angeles, in an aggregate amount not exceeding \$8,000,000, to assist Normandie Senior Housing Partners L.P. (Developer) in financing the site acquisition and construction of 105th & Normandie Senior Housing, a 62-unit multifamily rental housing project to be located at 10402, 10408, 10410 and 10426 South Normandie Avenue, 1344 West 104th Street and 1335 West 105th Street in unincorporated West Athens/Westmont.

2. Recommend that the Board of Commissioners authorize the Executive Director of the Housing Authority to negotiate, execute, and if necessary amend all related documents and take all necessary actions for the issuance, sale, and delivery of the bonds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to authorize the issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds, in an aggregate amount not to exceed \$8,000,000 to finance the site acquisition and construction of 105th & Normandie Senior Housing. This action will also allow the bonds to qualify for a tax exemption under Section 103 of the Internal Revenue Code of 1986.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Developer will repay the bonds solely through rent revenues, and will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Housing Authority issues Multifamily Housing Mortgage Revenue Bonds on an ongoing basis to provide financing to increase the supply of multifamily housing for very low, low-, and moderate-income families throughout Los Angeles County.

On July 8, 2008, your Board adopted an Inducement Resolution declaring the intent of the Housing Authority to undertake the financing of a Multifamily Housing Mortgage Revenue Bond project in accordance with United States Treasury Department Regulations. This action established a base date after which costs incurred by the Developer for the project could be included in the acquisition, construction and permanent financing obtained pursuant to the issuance of tax-exempt bonds.

On September 15, 2009, the Board of Supervisors adopted a resolution approving issuance of the bonds, as authorized by Section 147(f) of the Internal Revenue Code of 1986; the Housing Authority conducted a public hearing regarding the issuance of bonds to finance the project, at its office located at 2 Coral Circle in Monterey Park.

Under Internal Revenue Code regulations, the resolution approving bond issuance is valid for 12 months, and the bonds must be issued by the end of that period. Due to unforeseen underwriting requirements, the issuance of the bonds was postponed.

In anticipation of the bond issuance deadline, on September 10, 2010, the Housing Authority conducted a public hearing regarding issuance of the bonds. No comments were received at either public hearing concerning the nature and location of the project or bond issuance.

The 105th Street & Normandie Senior Housing will be located at 10402, 10408, 10410 and 10426 South Normandie Avenue, 1344 West 104th Street and 1335 West 105th Street in unincorporated West Athens/Westmont. The project will be a three-story apartment building, comprised of 55 one-bedroom units and seven two-bedroom units. Six of the one-bedroom units will be reserved for households with incomes that do not exceed 25% of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development. Twenty-three of the one-bedroom units will be reserved for households at 45% AMI or below, and the remaining 26 one-bedroom units will be reserved for households at 50% AMI or below. Of the seven two-bedroom units, six will be reserved for households with incomes that do not exceed 45% of AMI, and one will be a manager's unit with no affordability requirements. The affordability requirements will remain in effect for 55 years. Six of the affordable units will be occupied by special needs households.

The attached Resolution has been prepared by Orrick, Herrington & Sutcliffe, Housing Authority Bond Counsel, and has been approved as to form by County Counsel. All other related documents, in substantially final form, are on file with the Executive Office of the Board of Commissioners. They will be approved as to form by County Counsel prior to execution by the authorized parties.

ENVIRONMENTAL DOCUMENTATION

An Environmental Assessment/Mitigated Negative Declaration (EA/MND) was prepared for this project pursuant to the requirements of the National Environmental Policy Act. Based on the conclusions and findings of the EA/MND, a Finding of No Significant Impact was approved by the Certifying Officer of the Community Development Commission on February 7, 2007. Following the required public and agency comment period, HUD issued a Release of Funds for the project on February 21, 2007.

In accordance with the requirements of CEQA, the Board of Commissioners of the Community Development Commission, acting as Lead Agency, approved the EA/MND for this project on November 6, 2007. The Board of Supervisors, acting as a Responsible Agency, approved the EA/MND on July 8, 2008. The Board of Commissioners of the Housing Authority, acting as a Responsible Agency, approved the EA/MND on July 15, 2008.

The environmental review record for this project is available for public review during regular business hours at the Commission's main office located at 2 Coral Circle in Monterey Park.

Honorable Housing Commissioners
September 22, 2010
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IMPACT ON CURRENT PROJECT

The proposed action will increase the supply of affordable housing in the County.

Respectfully submitted,



SEAN ROGAN
Executive Director

Enclosures

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING
REVENUE BONDS OR NOTES AND RELATED ACTIONS

WHEREAS, The Housing Authority of the County of Los Angeles (the "Authority") intends to adopt a plan of financing to sell and issue multifamily housing revenue bonds or to execute and deliver revenue notes in one or more series issued from time to time, and at no time to exceed \$8,000,000 in outstanding aggregate principal amount (the "Tax-Exempt Obligations"), in order to assist in financing the acquisition and construction of a multifamily rental housing development consisting of 62 units located at 1345 West 105th Street in West Athens/Westmont of unincorporated Los Angeles County (the "Project"), to be owned by Normandie Senior Housing Partners, L.P., a California Limited Partnership (or an affiliate or assign); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the Tax-Exempt Obligations are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the interest on the Tax-Exempt Obligations may qualify for exclusion from gross income under Section 103 of the Internal Revenue Code of 1986 (the "Code"), only if the Tax-Exempt Obligations are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is located wholly within the County of Los Angeles, California; and

WHEREAS, this Board of Supervisors is the elected legislative body of the County and is the applicable elected representative of the Authority within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Housing Authority of the County of Los Angeles has, following notice duly given, held a public hearing regarding the issuance of the Tax-Exempt Obligations on September 10, 2010, and now desires that the Board of Supervisors approve the issuance of such Tax-Exempt Obligations; and

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by law;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.
2. This Board of Supervisors hereby approves the issuance of the Tax-Exempt Obligations by the Authority to finance costs of the Project. It is the purpose and intent of this Board of Supervisors that this Resolution constitute approval of the Tax-Exempt

Obligations by the applicable elected representative of the issuer of the Tax-Exempt Obligations and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

3. The Executive Officer-Clerk of the Board of Supervisors or a deputy thereof is directed to certify and deliver a copy of this Resolution to the Authority.

4. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles, State of California, this 5th day of October, 2010, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By _____
Chair of the Board of Supervisors

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: _____
Deputy

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,000,000 FOR THE PURPOSE OF MAKING A LOAN TO PROVIDE FINANCING FOR A MULTIFAMILY RENTAL HOUSING PROJECT KNOWN AS 105TH & NORMANDIE APARTMENTS PROJECT, DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

WHEREAS, The Housing Authority of the County of Los Angeles (the "Authority") is authorized and empowered by the provisions of Section 34312.3 of the Health and Safety Code of the State of California (the "Act") to issue and sell revenue bonds and to execute and deliver revenue notes for the purpose of making loans or otherwise providing funds to finance the acquisition and construction of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, there has been prepared and presented to this Board for consideration at this meeting the documentation required for the execution and delivery of a revenue note for the financing of the 105th & Normandie Apartments Project (the "Project"); and

WHEREAS, it appears that each of the documents and instruments above referred to which are now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the County of Los Angeles, as follows:

1. It is hereby found and determined that it is necessary and desirable for the Authority to provide financing for the Project through the execution and delivery of the Note (as hereinafter defined) in order to assist in the acquisition and construction of the type of dwelling units provided by the Project.

2. For the purpose of raising moneys with which to effectuate financing for the Project, the Authority hereby determines to execute and deliver to Citibank, N.A., as Funding Lender, a revenue note (the "Note"), in an aggregate principal amount not to exceed \$8,000,000. The Note shall bear interest at the interest rates set forth in or determined in accordance with Funding Loan Agreement (the "Funding Loan Agreement"), maturing as provided in the Funding Loan Agreement, but not later than 35 years from the date of issue. The Note shall be in substantially the form set forth in the Funding Loan Agreement, with such appropriate variations, omissions, insertions and provisions as are permitted or required by the Funding Loan Agreement, which shall be appropriately completed when the Note is prepared.

The Note shall be a limited obligation of the Authority payable solely from the revenues, receipts and other moneys pledged therefor under the Funding Loan Agreement.

The Chair of this Board and the Executive Director of the Authority are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Note.

3. The proposed form of Funding Loan Agreement, in the form presented to this meeting, is hereby approved. The Chair of this Board and the Executive Director of the Authority are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Funding Loan Agreement, in substantially said form, with such additions thereto or changes therein as such officer may approve or recommend upon consultation with counsel to the Authority and Special Financing Counsel to the Authority (provided that such additions or changes shall not authorize an aggregate principal amount of the Note in excess of the amount stated above or result in an initial interest rate on the Note in excess of 9%), the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Funding Loan Agreement. The date, maturity date, interest rate or rates, interest payment dates, denomination, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

4. The proposed form of Borrower Loan Agreement (the "Loan Agreement"), in the form presented to this meeting, is hereby approved. The Chair of this Board and the Executive Director of the Authority are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Borrower Loan Agreement, with such additions or changes in said document as such officer may recommend or approve upon consultation with counsel to the Authority and Special Financing Counsel to the Authority, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Borrower Loan Agreement.

5. The proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") in the form presented to this meeting, is hereby approved. The Chair of this Board and the Executive Director of the Authority are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Regulatory Agreement, with such additions or changes in said document as such officer may recommend or approve upon consultation with counsel to the Authority and Special Financing Counsel to the Authority, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Regulatory Agreement.

6. This Board hereby appoints the Executive Director of the Authority or his or her Deputy or designee as administrator/manager with respect to the Project and other matters arising in connection with the Note (the "Administrator").

7. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this resolution, whether before or after the execution and delivery of the Note, including without limitation any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project or any prepayment of the Note, may be given or

taken by the Administrator without further authorization by this Board, and the Administrator is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this resolution.

8. All actions heretofore taken by the officers and agents of the Authority with respect to the execution and delivery of the Note are hereby approved, confirmed and ratified, and the proper officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to those described in the Funding Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Note and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority.

9. All resolutions or parts thereto in conflict herewith are, to the extent of such conflict, hereby repealed.

10. This resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Los Angeles, State of California, this 5th day of October, 2010, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____

Chair of the Board
of Commissioners

ATTEST:

Sachi A. Hamai
Executive Officer
of the Board of Commissioners

By: _____
Deputy

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: _____
Deputy



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

September 22, 2010

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755

Dear Commissioners:

**APPROVE A CONSTRUCTION CONTRACT FOR SOLAR WATER HEATERS
INSTALLATION AND ROOFS MODERNIZATION AT THE NUEVA MARAVILLA
SENIORS HOUSING DEVELOPMENT
(DISTRICT 1)**

SUBJECT

This letter recommends approval of a Construction Contract (Contract) with Fast-Track Construction Corp. to complete the installation of four solar water heaters and the replacement of five existing roofs and all associated work at the Nueva Maravilla senior housing development located in unincorporated East Los Angeles County.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Recommend that the Board of Commissioners approve and authorize the Executive Director to execute and if necessary, terminate a Contract in the amount of \$1,152,040 to Fast-Track Construction Corp. to complete the installation of four solar water heaters and the replacement of five existing roofs and all associated work at the Nueva Maravilla senior housing development, using \$1,152,040 in Community Development Commission (Commission) General Funds.
2. Recommend that the Board of Commissioners authorize the Executive Director to approve Contract change orders not exceeding \$230,408 for unforeseen project costs, using Commission General Funds and following approval as to form by County Counsel.



3. Recommend that the Board of Commissioners authorize the Executive Director to incorporate up to \$1,382,448 in Commission General Funds into the Housing Authority's approved Fiscal Year 2010-2011 budget for the purposes described above.
4. Recommend that the Board of Commissioners find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA) because the work includes activities that will not have the potential for causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to award a Contract for the installation of four solar water heaters and the replacement of five existing roofs and all associated work at the Nueva Maravilla senior housing development.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Housing Authority will fund the improvements with \$1,152,040 in Commission General Funds to be incorporated into the Housing Authority's approved Fiscal Year 2010-2011 budget.

A 20% contingency, in the amount of \$230,408, is also being set aside for unforeseen costs, using the same source of funds. This contingency is recommended because roofing replacement often involves unforeseen conditions that extend further than initially identified in the scope of work.

On August 10, 2010, the Board of Commissioners of the Community Development Commission approved a \$3,500,000 Commission General Fund loan to the Housing Authority to leverage the financing of various energy conservation measures at the Nueva Maravilla housing development. The \$1,152,040 Contract and the \$230,408 contingency amounts are being funded from this loan.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The scope of work for this Contract at the 500-unit Nueva Maravilla senior housing development includes the installation of four solar water heaters and the replacement of five existing roofs and all associated work. The five existing roofs will be replaced with cool roofs which deliver a high solar reflectance that reduces heat transfer to the building, and high thermal emittance which radiates absorbed solar energy. Additionally, the four solar water heaters utilize a renewable energy technology that conserves energy and as a result will lower Housing Authority utility costs.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief

Honorable Housing Commissioners
September 22, 2010
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Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, Fast-Track Construction Corp. will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

ENVIRONMENTAL DOCUMENTATION

Pursuant to 24 Code of Federal Regulation, Part 58, Section 58.35 (a) (3)(ii), this project is excluded from the National Environmental Policy Act (NEPA), because it involves activities that will not alter existing environmental conditions. It is exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS

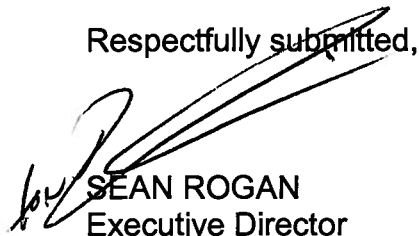
On June 17, 2010, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject property. Invitations for Bids were mailed to 156 contractors identified from the Housing Authority's vendor list. Advertisements also appeared in eight newspapers, CDC Web Site and on the County Web Site. Seven bid packages were requested and distributed.

On July 22, 2010, four bids were received and formally opened. Fast-Track Construction Corp. submitted the lowest bid and is being recommended for the Contract award. The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT PROJECT

The award of the Contract will modernize the Nueva Maravilla senior housing development and provide residents with solar water heaters and new roofs. These improvements will serve to conserve energy, increase cost savings to the Housing Authority, and improve services to the residents.

Respectfully submitted,


SEAN ROGAN
Executive Director

Enclosures

ATTACHMENT A

Summary of Outreach Activities

Construction Contract to complete the installation of four solar water heaters and the replacement of five existing roofs and all associated work at the Nueva Maravilla senior housing development in unincorporated East Los Angeles.

On June 17, 2010, the following outreach was initiated to identify a contractor to complete the installation of four solar water heaters and the replacement of five existing roofs and all associated work at the Nueva Maravilla senior housing development located at 4919 E. Cesar Chavez Avenue, Los Angeles, CA 90022.

A. Newspaper Advertising

Announcements appeared in the following eight local newspapers:

Los Angeles Times (Full Run)	Dodge Construction News/Green Sheet
Los Angeles Sentinel	Eastern Group Publications
International Daily News	The Daily News
La Opinion	
WAVE Community Newspapers-Zone Long Beach Area only	

An announcement was also posted on the County Web Site.

B. Distribution of Bid Packages

The Housing Authority's vendor list was used to mail out Invitations for Bids to 156 contractors, of which 89 identified themselves as businesses owned by minorities or women (private firms which are 60 percent owned by minorities or women, or publicly-owned businesses in which 56 percent of the stock is owned by minorities or women). As a result of the outreach, seven packages were requested and distributed.

C. Pre-Bid Conference and Site Walk

On June 29, 2010, a mandatory pre-bid conference and site walk was conducted. Seven firms were in attendance.

D. Bid Results

On July 22, 2010, a total of four bids were received and publicly opened.

The bid result was as follows:

<u>Company</u>	<u>Bid Amount</u>
Fast-Track Construction Corp.	\$1,152,040
M.L. Construction	\$1,175,600
Waterproofing Experts Inc.	\$1,185,000
Air Plus Corp.	\$1,329,861

E. Minority/Female Participation – Selected Contractor

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Fast-Track Construction Corp.	Non-Minority	Total: 15 14 minorities 3 women 93% minorities 20% women
Mohr Power Solar, Inc. (Solar panels Sub-contractor)	Non-Minority	Total: 41 14 minorities 13 women 31% minorities 28% women
A. J. Kirkwood & Associates, Inc. (Electrical Sub-contractor)	Non-Minority	Total: 282 158 minorities 11 women 56% minorities 7% women
Farino Construction, Inc. (Demolition Sub-contractor)	Non-Minority	Total: 27 6 minorities 2 women 22% minorities 7% women
J.F. Construction (Carpentry Sub-contractor)	Non-Minority	Total: 8 4 minorities 2 women 50% minorities 25% women
E & N Drywall Construction Inc. (Drywall Sub-contractor)	Non-Minority	Total: 4 3 minorities 2 women 75% minorities 50% women

Fairweather Roofing Inc. (Roofing Sub-contractor)	Non-Minority	Total: 24 20 minorities 0 women 83% minorities 0% women
RCA Contractors Corporation (Painting Sub-contractor)	Non-Minority	Total: 6 6 minorities 2 women 100% minorities 33% women

F. Minority/Women Participation - Firms Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
M.L. Construction	Non-Minority	Total: 19 8 minorities 1 woman 42% minorities 5% women
Air Plus Corp.	Non-Minority	Total: 20 18 minorities 3 women 90% minorities 15% women
Waterproofing Experts Inc.	Minority	Total: 73 67 minorities 2 women 91% minorities 3% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

ATTACHMENT B

Contract Summary

Project Name: Nueva Maravilla senior housing development installation of solar water heaters and replacement of five existing roofs including all accessories
Location: 4919 E. Cesar Chavez Avenue, Los Angeles, CA 90022
Bid Number: CD-09-170
Bid Date: July 22, 2010
Contractor: Fast-Track Construction Corp.
Services: Installation of four solar water heaters and the replacement of five existing roofs and all associated work

Contract Documents: Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all addenda to the Contract Documents.

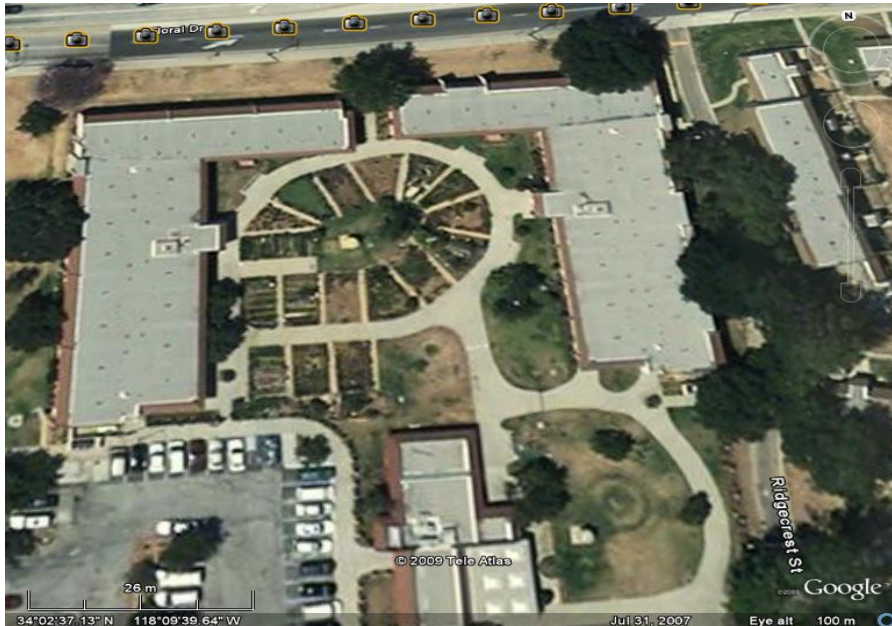
Notice to Proceed and Completion: The work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within three hundred (300) calendar days following the required commencement date.

Liquidated Damages: In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of **\$500.00** as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

Contract Sum: The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **\$1,152,040**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

Contract Contingency: **\$230,408**

Nueva Maravilla Senior Housing Development SOLAR WATER HEATERS AND ROOF RELACEMENT



(1) Aerial view of two of the existing roofs to be modernized.



(2) Existing roof view of one of the four buildings.

Nueva Maravilla Senior Housing Development SOLAR WATER HEATERS AND ROOF RELACEMENT



(3) Existing roof has one inch of insulation. The new roof will have five inches of insulation and a white roof.



(4) Notice ponding, the new roofs will correct slopes to drain properly .