

AN ANNUAL MEETING OF THE HOUSING AUTHORITY
OF THE COUNTY OF SAN BERNARDINO

Amended Agenda
Posted: 11/5/2010
Time: 4:00 pm

TO BE HELD AT 715 E. BRIER DRIVE
SAN BERNARDINO, CALIFORNIA
NOVEMBER 10, 2010 AT 10:00 A.M.

TELECONFERENCE LOCATION:

**321 SE County Road, 18A
Starke, FL 32091**

Pursuant to California Government Code section 54953(b)(3), any member of the public wishing to address the legislative body directly pursuant to California Government Code section 54954.3 to speak in favor of, or in opposition to, an agenda item may do so at each teleconference location at the time the item is considered.

AGENDA

1. Call to Order and Roll Call
2. Approval of the minutes of the regular meeting of October 13, 2010 (pages 1 – 16)
3. Additions or deletions to the agenda
4. Public Comment
5. ELECTION OF OFFICERS – Board will entertain nominations to select the Chair & Vice Chair
6. PRESENTATION – IT Infrastructure Revitalization and Implementation Solution
7. RESOLUTION NO. 2291 - Approving the Public Housing Assessment System Management Operations Certification for fiscal year 2010 (pages 17 – 23)
8. RESOLUTION NO. 2292 – Approving the Section 8 Management Assessment Program (SEMAP) Certification for fiscal year 2010 (pages 24 – 30)
9. RESOLUTION NO. 2293 - Approving revisions to the Housing Choice Voucher Administrative Plan: Chapters 8 -17, 19 and 20 (pages 31 – 37)
10. RESOLUTION NO. 2294 - Approving revisions to the Housing Choice Voucher Program Payment Standards (pages 38 – 41)
11. RESOLUTION NO. 2295 - Approval to adopt revisions to the Investment Policy for the Housing Authority of the County of San Bernardino's Retiree Medical Trust Fund (pages 42 – 47)
12. RESOLUTION NO. 2296 - Approval to adopt revisions to the Housing Authority's Investment Policy (pages 48 – 57)
13. RESOLUTION NO. 2297 - Approving and authorizing the transfer of 335 scattered site disposition units to Housing Partners I, Inc. and the execution of Amendment No. 71 to Annual Contributions Contract No. SF-205 Pages (156 – 159)

14. MOTION - Approval to award a Project Based Voucher Contract to Housing Partners I, Inc. for 302 Scattered Site Units (pages 58 – 95)
15. MOTION - Authorizing the Executive Director to execute a recordable release of the Regulatory Agreement on the \$24,050,000 Multifamily Housing Revenue Refunding Bonds (Equity Residential/Redlands Lawn & Tennis Apartment) Issue 1999A pursuant to our obligation as stated in Section 11 thereof (pages 96 – 99)
16. MOTION - Approval to increase the contract for HQS Inspection Services to B & C Home Inspections in the amount of \$12,000 for a total amount of \$36,000 (page 100)
17. MOTION - Approval to award a contract for Graphic Design/Publication Services to To Ron Widman Publication Services for a two-year base period, with one single Year extension for a total term of three years in the amount of \$90,000 (pages 101 – 104)
18. MOTION - Approval to award a contract to CDW-G for UPS, Network Infrastructure, SAN equipment, VMware Licensing and related professional services in the amount of \$315,870 (pages 105 – 115)
19. APPROVAL OF CONSENT ITEMS: #20- 28
20. Approving vacated accounts to be written off to collection loss for the month ending September 2010 (pages 116 – 121)
21. Summary of Activities (page 122)
22. Development Project Status Report (page 123)
23. Summary of Public Information/Government Relations (pages 124 – 129)
24. Staff & Board Training and Development (page 130)
25. Status and Financial Statements for Housing Choice Voucher Programs (pages 131 – 137)
26. Status and Financial Statements for the Public Housing Program (pages 138 – 144)
27. Status and Financial Statements for Authority-Owned and Affiliate-Owned Units (pages 145 – 152)
28. Year End Investment Report (pages 153 – 155)
29. Conference With Real Property Negotiators
Property(s): 1250 Sepulveda Ave., San Bernardino, CA 92404 (APN: 146-23-219)
1376 N. Wall Ave., San Bernardino, CA 92404 (APN: 146-21-114)
1368-1374 N. Wall Ave., San Bernardino, CA 92404 (APN: 146-21-103)
Agency Negotiator(s): Susan Benner, Executive Director
Gus Joslin, Director of Development
Negotiating Parties: Teresa Moreno – RE/MAX Champions
Hamid Aghili – Spellacy & Assoc.
Under Negotiation: Price/Terms
30. Other Business
32. Adjourn

MEMORANDUM

Date: November 10, 2010
To: Board of Commissioners
From: Susan Benner, Executive Director *slb*
Re: **Resolution No. 2297** Approving and authorizing the transfer of 335 scattered site disposition units to Housing Partners I, Inc. and the execution of Amendment No. 71 to Annual Contribution Contract No. SF-205

BACKGROUND:

The Housing Authority assessed the continuing viability of its public housing developments, including 335 scattered-site units. Due to geographical factors and HUD's consistent under-funding of the public housing operating subsidy, these 335 scattered-site units have been a challenge to manage and maintain. Staff estimates that the cost to operate these scattered sites is at least 20-25 percent more than other units of comparable size.

For these reasons, staff determined it was in the best interest of the HACSB, the residents and the community to apply for disposition and replacement housing choice vouchers. The strategy adopted under the Moving to Work (MTW) program is to convert the subsidy stream from the public housing program, to the Housing Choice Voucher program, thereby increasing rental revenues up to rates consistent with the private rental market. In addition, ownership of the units will be transferred to HACSB's non-profit affiliate, Housing Partners I, Inc. The replacement vouchers will be project-based, assuring continued uninterrupted rental assistance to the unit and the existing tenants.

On September 9, 2009, the Board of Commissioners adopted Resolution 2251 authorizing the Executive Director to submit to a disposition application to the Department of Housing and Urban Development for 335 Scattered-Site public housing units.

DESCRIPTION:

HUD granted approval for the disposition on June 9, 2010 and replacement voucher approval was granted on October 1, 2010. To complete the implementation plan, we need to execute an amendment to the Annual Contributions Contract (ACC) and transfer title of the units to Housing Partners I, Incorporated on or before December 1, 2010.

Resolution No. 2297 authorizes the transfer of 335 scattered site public housing units to Housing Partners I, Inc. and execution of Amendment No. 71 and supporting documents on behalf of the Housing Authority by its Chairperson or Acting Chairperson and authorizes the Executive Director or designee to execute certain documents to carry out any and all actions associated with the title transfer.

ATTACHMENTS:

Resolution No. 2297
ACC Amendment No. 71

RESOLUTION NO. 2297

APPROVING AND AUTHORIZING THE TRANSFER OF 335 SCATTERED SITE
DISPOSITION UNITS TO HOUSING PARTNERS I, INCORPORATED AND THE
EXECUTION OF AMENDMENT NO. 71 TO ANNUAL CONTRIBUTION
CONTRACT NO. SF-205

WHEREAS, the Housing Authority of the County of San Bernardino (Authority) has entered into an Annual Contributions Contract No. SF-205 (Contract) with the UNITED STATES OF AMERICA acting through the Department of Housing and Urban Development (HUD); and

WHEREAS, the Authority adopted Resolution 2251 on September 9, 2009 authorizing the Executive Director to submit to HUD a disposition application, replacement voucher application, and implement the Authority's plan for sustaining and renovating 335 scattered sites;

WHEREAS, the Authority has received approval for the disposition and replacement vouchers and is now proceeding with the implementation plan which includes transferring title to all 335 scattered site units to its affiliate non-profit, Housing Partners I, Incorporated;

WHEREAS, the Authority and HUD desire to amend the Contract in the particulars more fully described in Amendment No. 71;

NOW, THEREFORE, be it resolved by Authority:

1. Amendment No. 71 to the Contract is hereby approved. The Chairperson or Acting Chairperson is hereby authorized and directed to execute the counterparts of the Amendment with supporting documents on behalf of the Authority and the Secretary is hereby authorized and directed to forward such executed counterparts to HUD.
2. Transfer title of 335 scattered-site disposition units to non-profit affiliate, Housing Partners I. Incorporated is hereby approved and the Executive Director or designee is authorized to execute any and all documents required to fulfill the June 09, 2010, as amended, HUD Special Application Center approval letter and to carry out any and all actions associated with the title transfer.
3. This Resolution shall take effect immediately.

Adopted: _____

Mario Saucedo, Chairman

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AMENDMENT TO
CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT

This Amendatory Agreement is entered into on November 10, 2010 by and between the

UNITED STATES OF AMERICA

(Government) pursuant to the United States Housing Act of 1937, as amended (42 U.S.C. 1437, et. seq. hereafter referred to as "Act") and the Department of Housing and Urban Development Act (42 U.S.C. 3531); and the

HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

(Local Authority), a body corporate and politic, organized and existing under the laws of the State of California and a "Public Housing Agency" as defined in the Act;

WITNESSETH:

WHEREAS, the parties entered into a revised Consolidated Annual Contributions Contract, dated February 11, 2002, as amended, ("Contract") pursuant to which the Local Authority agreed to develop and operate certain low-rent housing and the Government agreed to provide financial assistance in connection therewith; and

WHEREAS, the parties now desire to amend the Contract to remove three hundred 335 (335) dwelling units that have been eliminated from the housing inventory of the Local Authority;

NOW THEREFORE, the parties do hereby agree that the Contract be amended as follows:

The three hundred thirty five (335) dwelling units with the following bedroom configurations are deleted from:

Project No. CA16-P019-017, Seven (7) properties;

Project No. CA16-P019-020, One (1) property;

Project No. CA16-P019-021, One (1) property;

Project No. CA16-P019-022, Two (2) properties;

Project No. CA16-P019-023, One (1) property;

Project No. CA16-P019-024, One (1) property;

Project No. CA16-P019-025, One (1) property;

Contract No.: SF-205
Amendment No.:

- Project No. CA16-P019-026, One (1) property;
- Project No. CA16-P019-028 Two (2) properties;
- Project No. CA16-P019-029, One (1) property;
- Project No. CA16-P019-030, One (1) property;
- Project No. CA16-P019-031, Six (6) properties;
- Project No. CA16-P019-032, Seventeen (17) properties;
- Project No. CA16-P019-034, Four (4) properties;
- Project No. CA16-P019-035, Eleven (11) properties;
- Project No. CA16-P019-036, Four (4) properties;
- Project No. CA16-P019-042, Four (4) properties;

<u>1 Bdrm</u>	<u>2 Bdrm</u>	<u>3 Bdrm</u>	<u>4 Bdrm</u>
18	208	109	0

IN WITNESS WHEREOF, the Local Authority and the Government have caused this Amendatory Agreement to be executed as of the date first above written.

HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

By: _____
 (Signature)

Susan Benner

 (Type of Print Name)

Executive Director

 (Title)

UNITED STATES OF AMERICA
Secretary of Housing and Urban Development

By: _____
K.J. Brockington, Director, Office of Public Housing

Date: _____

MEMORANDUM

Date: October 28, 2010

To: Board of Commissioners

From: Maria Razo, Deputy Executive Director, Office of Business Administration *MR*

RE: **MOTION- Approval to Award a Contract to CDW-G for UPS, Network Infrastructure, SAN equipment, VMware Licensing and related professional services in the amount of \$315,870.**

BACKGROUND:

As reported to the Board of Commissioners over the last year, an Information Systems Strategic Plan was prepared by LBL Technology Partners in September 2009. The Strategic Plan contained the following areas of concern and/or improvement needed:

- IT topology not set up to meet agency needs (requires reassessment/reconfiguration of network structure)
- IT focused vs. Agency focused
- Lack of disaster recovery plan
- Lack of system documentation
- Technical vulnerabilities (appropriate back-ups and testing)
- Lack of technical knowledge
- Lack of planning (reactive vs. proactive)
- Business Analyst and project management functions missing

Our focus over the past year has been to stabilize our network and address any technical vulnerabilities and we are pleased to report that these items have been addressed. The next priority was to perform a cost/benefit analysis of outsourcing or maintaining server/network administration services in-house, prior to proceeding with the remaining projects mentioned above.

To address the reassessment/reconfiguration of the network structure, our option was to rebuild the system in house or outsource. A cost/benefit analysis was conducted in early 2010 to determine the most viable solution between outsourcing and maintaining network and server administration services in-house, and it is clear that maintaining these services in-house is the most cost effective solution, while providing intangible benefits such as in-house operational expertise. The next step was to begin the recruitment process to hire a full time Server/Network Administrator along with an IT Director, which was completed in July, 2010.

PROCESS:

After assessing the agency's system needs and determining a set of technical requirements, we have engineered and proposed a network infrastructure redesign, which is divided into several key areas: power, facilities, network infrastructure, and server infrastructure. Additionally, network systems stability will be addressed through a complete rebuild of the software operating environment. The specified components used in the proposal were selected using the following methodology:

- Identify potential solution providers and products.

- Meet with vendors and manufacturer representatives to discuss the agency's requirements and develop an appropriate bill of materials.
- Request at least three quotes for equipment, software, and professional services (as needed).
- Assess product proposals for cost, ability to meet the agency's current and future needs, industry reputation, and overall fit within the design.

JUSTIFICATION:

According to 24CFR85.36, HUD Handbook 7460.8 and the Housing Authority's Procurement Policy, we may enter into intergovernmental agreements with State or local government agencies to obtain needed supplies or services if such agreements will foster economy and efficiency. The use of intergovernmental agreements can significantly reduce the amount of time required to contract for supplies or services, while allowing the Agency to take advantage of prices obtained through volume purchasing. Therefore, HACSB has decided to utilize the CDW-G contracts awarded through WSCA (Western States Contract Alliance) and National IPA for the purchase of the identified hardware items referenced.

Although these contracts were previously competitively bid through a formal solicitation process, our IT Department staff went a step further to contact various vendors for additional pricing information and obtained three (3) quotes for each type of item that is being proposed, thus further being able to compare the cost savings by utilizing the above two contracts.

BUDGET:

The 2010 fiscal year budget included \$258,000 for a network redevelopment project that was not spent. There is an additional \$165,000 available in the current year budget, for a total of \$423,000.

The project proposal includes the following costs from CDW-G:

• 30kVA UPS system	\$ 27,894
• Network Infrastructure	\$162,970
o Professional Services	\$ 24,865
• Storage Area Network (SAN)	\$ 50,215
o Professional Services	\$ 7,000
• VMware Software & Licensing	\$ 42,926
	=====
Total	\$315,870

RECOMMENDATION:

Therefore, as a result of the assessment conducted, and government pricing received from the WSCA and National IPA, **staff recommends that the Board of Commissioners authorize approval to award a contract to CDW-G for UPS, Network Infrastructure, SAN equipment, VMware Licensing and related professional services in the amount of \$315,870.**