

HOUSING AUTHORITY of the COUNTY OF CONTRA COSTA

CALENDAR FOR THE BOARD OF COMMISSIONERS BOARD CHAMBERS ROOM 107, ADMINISTRATION BUILDING, 651 PINE STREET MARTINEZ, CALIFORNIA 94553-1229

GAYLE B. UILKEMA , *CHAIR*
JOHN GIOIA
MARY N. PIEPHO
KAREN MITCHOFF
FEDERAL D. GLOVER
GENEVA GREEN (TENANT SEAT)

JOSEPH VILLARREAL, EXECUTIVE DIRECTOR, (925) 957-8000

The Board of Commissioners respects your time, and every attempt is made to accurately estimate when an item may be heard by the Board. All times specified for items on the Board of Commissioners agenda are approximate. Items may be heard later than indicated depending on the business of the day. Your patience is appreciated.

AGENDA May 24, 2011

1:00 P.M. Convene, call to order and opening ceremonies.

CLOSED SESSION AGENDA:

Closed Session Agenda

A. CONFERENCE WITH LABOR NEGOTIATORS (Govt. Code Section 54957.6(a))

1. Agency Negotiators: Fran Buchanan, and Frances Trant
Employee Organizations: Public Employees Union, Local No. 1
2. Agency Negotiators: Fran Buchanan and Joseph Villarreal
Unrepresented Employees: All unrepresented agency management employees and all other unrepresented agency employees

B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: Executive Director

CONSIDER CONSENT ITEMS (C.1 through C.5) Items removed from this section will be considered as Deliberation items.

DELIBERATION ITEMS:

- D.1 PUBLIC COMMENT (3 minutes per speaker)
- D.2 CONSIDER removed Consent items and DETERMINE action to be taken.
- D.3 APPROVE and AUTHORIZE the Executive Director of the Housing Authority of the County of Contra Costa (HACCC) to submit a financial recovery plan to the U.S. Department of Housing and Urban Development (HUD) in response to HUD's letters of April 13, 2011 and following.

Adjournment

CONSENT ITEMS:

- C.1 ADOPT Resolution No. 5139 approving the discharge of accountability for accounts receivable in the amount of \$86,164 for the quarter ending September 30, 2010.
- C.2 ACCEPT report on the approved Federal Fiscal Year 2011 budget and its effect on the Housing Authority of the County of Contra Costa's 2011/12 Annual Agency Budget.
- C.3. ADOPT Resolution No. 5138 supporting the taking by eminent domain of Housing Authority of the County of Contra Costa property at 1538 & 1540 Third Street, Richmond, CA by the County of Contra Costa Redevelopment Agency; and AUTHORIZE the Executive Director to execute all measures necessary to obtain HUD's approval, including the submission of an Inventory Removal Application for the properties.
- C.4 ADOPT Resolution No. 5137 certifying the results for the Section 8 Management Assessment Plan (SEMAP), subject to HUD confirmatory review for the Housing Authority for the period from April 1, 2010 to March 31, 2011.
- C.5 ADOPT Resolution No. 5136 approving the Risk Management Policy Statement of the Housing Authority of the County of Contra Costa; and AUTHORIZE execution of the statement by the Executive Director.

GENERAL INFORMATION

Persons who wish to address the Board of Commissioners should complete the form provided for that purpose and furnish a copy of any written statement to the Clerk.

All matters listed under CONSENT ITEMS are considered by the Board of Commissioners to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Commission votes on the motion to adopt. Persons who wish to speak on matters set for PUBLIC HEARINGS will be heard when the Chair calls for comments from those persons who are in support thereof or in opposition thereto. After persons have spoken, the hearing is closed and the matter is subject to discussion and action by the Board. Comments on matters listed on the agenda or otherwise within the purview of the Board of Commissioners can be submitted to the office of the Clerk of the Board via mail: Board of Commissioners, 651 Pine Street Room 106, Martinez, CA 94553; by fax: 925-335-1913.

The County will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk of the Board at least 24 hours before the meeting, at (925) 335-1900; TDD (925) 335-1915. An assistive listening device is available from the Clerk, Room 106. Copies of recordings of all or portions of a Board meeting may be purchased from the Clerk of the Board. Please telephone the Office of the Clerk of the Board, (925) 335-1900, to make the necessary arrangements. Applications for personal subscriptions to the monthly Board Agenda may be obtained by calling the Office of the Clerk of the Board, (925) 335-1900. The monthly agenda may also be viewed on the Housing Authority's internet Web Page www.contracostahousing.org. The Housing Authority agenda and meeting materials are available for inspection at least 96 hours prior to each meeting at the Office of the Clerk of the Board, 651 Pine Street, Room 106, Martinez, California.

PERSONS WHO WISH TO ADDRESS THE BOARD MAY BE LIMITED TO THREE (3) MINUTES

AGENDA DEADLINE: Thursday, 12 noon, 12 days before the Tuesday Board meetings.

D.1 PUBLIC COMMENT

D.2 CONSIDER removed Consent items and
DETERMINE action to be taken

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

D3

TO: BOARD OF COMMISSIONERS
FROM: Joseph Villarreal, Executive Director
DATE: May 24, 2011
SUBJECT: PROPOSED FINANCIAL RECOVERY PLAN SUBMISSION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

I. RECOMMENDED ACTION:

APPROVE and AUTHORIZE the Executive Director of the Housing Authority of the County of Contra Costa (HACCC) to submit a financial recovery plan to the U.S. Department of Housing and Urban Development (HUD) in response to HUD's letters of April 13, 2011 and following.

II. FINANCIAL IMPACT:

No immediate impact.

III. REASONS FOR RECOMMENDATION/BACKGROUND

HUD evaluates the management of the public housing program managed by public housing authorities (PHAs) using indicators and scoring. This methodology utilizes four evaluation tools referred to collectively as the Public Housing Assessment System (PHAS). The four indicators that comprise PHAS are physical condition, financial condition, management operations, and resident service and satisfaction. Each indicator is evaluated and scored separately. Physical condition, financial condition, and management operations are worth 30 points each, and resident service and satisfaction is worth 10 points for an overall score of 100 points.

A PHA that receives a score of less than 60% overall or in one area is designated as troubled. A PHA that is designated as troubled must enter into a Memorandum of Agreement with HUD for the purpose of improving the PHA's score to 60% or above. In 2009, HACCC was designated as financially troubled based on its FY2008 PHAS score. HACCC entered into a Memorandum of Agreement with HUD on September 21, 2009 to improve its score.

On April 13, 2011 HUD informed HACCC that it had received a PHAS score of 74 for the Fiscal Year 2009-2010. HUD later revised that score to 76. Normally, either score would qualify HACCC as a

CONTINUED ON ATTACHMENT: X YES

SIGNATURE [Signature]
Joseph Villarreal, Executive Director

RECOMMENDATION OF EXECUTIVE DIRECTOR RECOMMENDATION OF BOARD COMMITTEE

APPROVE OTHER

SIGNATURE(S):

ACTION OF BOARD ON APPROVED AS RECOMMENDED OTHER

VOTE OF COMMISSIONERS

UNANIMOUS (ABSENT)
AYES: NOES:
ABSENT: ABSTAIN:

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD OF COMMISSIONERS ON THE DATE SHOWN.

ATTESTED
JOSEPH VILLARREAL, CLERK OF THE BOARD OF COMMISSIONERS AND EXECUTIVE DIRECTOR

BY DEPUTY

standard performer. However, HACCC failed two components of the financial condition indicator. Specifically, HACCC did not receive any points for "Tenant Receivable Outstanding" and "Net Income or Loss".

The "Tenant Receivable Outstanding" component of the financial condition indicator measures HACCC's rent collection ability. HUD calculates the average number of days it takes a PHA to collect its tenant accounts receivable. The primary reason for HACCC's score in the "Tenant Receivable Outstanding" component was the significant number of outstanding debts that former HACCC tenants appeared to owe HACCC. This was caused by a glitch in HACCC's computer conversion in 2005. Data was duplicated in HACCC's system, thereby making it appear that HACCC had twice as many outstanding debts. It was also difficult to completely erase debts that had been written off. Staff spent the past year and a half fixing the problem by "cleaning" old collections data in the system and also significantly upgraded its computer system in the past year. The new system does not have these problems and has the advantage of enabling HACCC to provide tenants with monthly invoices. Staff expects to implement the invoice feature this summer. This feature is designed to help minimize the amount of outstanding debt among tenants. It will produce reminders to tenants to pay rent and will also provide staff with an efficient reporting system.

HACCC will submit a plan to HUD that addresses the following deficiencies in the "Tenant Receivable Outstanding" component:

- HACCC has written off all outstanding past-tenant debts
- HACCC will continue to write-off all outstanding debts for any tenant leaving the program for any reason
- HACCC will implement a monthly rent billing system available in its new software to provide current tenants with a reminder to pay their rent on time
- HACCC will complete an analysis of outstanding debts owed by current tenants to determine if there are any actions that need to be taken to address possible collection shortfalls among this population.
- HACCC will survey other agencies to determine if it needs to improve any of its management practices relevant to collection of rent from tenants.

This is the last fiscal year that HACCC will be rated under the old PHAS system. HUD is in the process of implementing significant changes to PHAS. This is relevant because "Tenant Receivable Outstanding" will not be a financial component under the new PHAS scoring methodology. Instead, it will be part of the PHAS Management Indicator and will be calculated in a slightly different manner.

The "Net Income or Loss" component of the financial condition indicator measures how the results of the year's current operations have affected the PHA's viability. It compares a PHA's adjusted net income to the net available (unrestricted) current resources. It indicates whether the housing authority is adequately managing its income and expenses to maintain a balanced budget. It includes not only public housing data, but also data for the voucher program and an additional variety of smaller programs operated by PHAs. Providing HUD with a financial recovery plan for improving this component is problematic for two reasons. First, the "Net Income" component will not exist in any form in the new PHAS rating methodology. Second, it appears that HACCC had little or no realistic ability to pass this component for fiscal year end 2010 because HUD did not provide HACCC with full voucher funding. Voucher funding is the single largest component of the rating formula.

Over the past couple of decades HUD has come under increasing pressure from Congress to reduce costs in the public housing and voucher programs. HUD's programs have often not been fully funded by Congress and thus the program funding provided to housing authorities has been pro-rated. In order to minimize funding pro-rations in any given year, or to respond to Congressional requests to free up more money, HUD has sometimes recaptured or limited the amount of reserves held by housing authorities. Such was the case in the fiscal year measured by this PHAS report. In that year, HUD limited the voucher subsidy reserves to 7% of annual subsidy costs (less than one month). If a PHA had more than that amount in reserve, then HUD reduced the revenue provided to that agency for voucher subsidies. The PHA was then required to use its voucher reserves to make up the difference for required subsidy payments. Because HACCC began the year with more than 7% in voucher subsidy reserves, HUD did not fully fund these costs in that fiscal year. As a result, HACCC's reserves of \$13.6 million were reduced by approximately \$11.5 million.

Because the "Net Income" component will not exist in the new PHAS rating methodology and because HACCC appears to have been overly impacted in this rating by HUD's funding policies for fiscal year end 2010, HACCC will request a waiver of this rating. If HUD is not able or willing to waive this finding, then staff will ask for further guidance from HUD to resolve this finding because staff is unsure how to improve this rating since it will no longer be scored by HUD in the new rating methodology.

The financial recovery plan required by HUD must be submitted by May 28, 2011.

IV. CONSEQUENCES OF NEGATIVE ACTION

HACCC is required to respond to HUD. The Board should either approve the response proposed by staff or provide staff with an amended or alternative response. Should the Board of Commissioners elect not to provide HUD with a proposed financial recovery plan, HUD could find HACCC in violation of federal regulations and statutes and could impose such sanctions as the imposition of budget and management controls by HUD, declaration of substantial default and subsequent actions, including referral to the HUD Enforcement Center (DEC) for judicial appointment of a receiver, limited denial of participation, suspension, debarment, or other actions deemed appropriate by the DEC.

HOUSING AUTHORITY
OF THE
COUNTY OF CONTRA COSTA



May 24, 2011

Melina Whitehead, Acting Director
San Francisco Office of Public Housing
United States Department of Housing and Urban Development
600 Harrison St. 3rd Floor
San Francisco, CA 94107-1300

Re: HACCC Proposed Financial Recovery Plan

Dear Ms. Whitehead:

I am writing in response to your letter dated April 13, 2011 in which you requested the Housing Authority provide HUD with a Financial Recovery Plan as a result of its Public Housing Assessment System rating for the fiscal year ended March 31, 2010. After reviewing our data

HACCC believes much of the problem with this indicator was due an old computer conversion that duplicated much of our outstanding debt data. This was exacerbated by an increase in the past few years in rent enforcement activity. To date, we have spent the past year and a half "cleaning" old collections data in the system and have now written off this debt. Also, HACCC significantly upgraded its computer system in the past year. Together we believe these two changes will allow us to score favorably in this component in the future. The focus of our recovery plan then is less on what we believe was the primary cause of our failure in this component and more on other areas that may need strengthened.

HACCC's proposed recovery plan for the "Tenant Receivable Outstanding" component is as follows:

- HACCC has written off all outstanding past-tenant debts
- HACCC will continue to write-off all outstanding debts for any tenant leaving the program for any reason
- HACCC will implement a monthly rent billing system available in its new software to provide current tenants with a reminder to pay their rent on time
- HACCC will complete an analysis of outstanding debts owed by current tenants to determine if there are any actions that need to be taken to address possible collection shortfalls among this population.
- HACCC will survey other agencies to determine if it needs to improve any of its management practices relevant to collection of rent from tenants.

HACCC's proposed recovery plan for the "Net Income" component is based on two facts. First, HACCC was extremely impacted by the 7% cap on voucher reserves that was implemented at that time. Largely as a result of reduced HAP funding, HACCC depleted approximately \$11.5 million in reserves during fiscal year end March 31, 2010. Had this not occurred, it appears that HACCC would have passed this component and been rated a standard performer. Second, this component will not exist in any form in the new PHAS rating methodology.

Therefore, HACCC is requesting a waiver of this rating. If that can not be granted, then HACCC is requesting HUD's guidance in clearing this component since it will not be rated in the future.

Please call me at (925) 957-8011 if you have any questions. Otherwise, I will await your response.

Sincerely,

Joseph Villarreal
Executive Director

cc: Gayle B. Uilkema, Chair, District II
John Gioia, District I
Mary N. Piepho, District III
Karen Mitchoff, District IV
Federal D. Glover, District V
Geneva Green, Board Member

Joseph Villarreal

From: Whitehead, Melina M [melina.m.whitehead@hud.gov]
Sent: Wednesday, April 13, 2011 3:52 PM
To: Joseph Villarreal
Subject: FW: Troubled PHAs
Attachments: Contrac Costa - troubled PHA ltr.PDF

Joseph,

This is a heads up. Attached please find a scanned copy of the letter that will be mailed out today to the PHA's board of commissioners and elected official. HUD's new approach to troubled PHAs is to take a team approach, both within HUD and the PHA, to address the issues. We hope that working with our partners could reduce our troubled portfolio.

Please free to give me a call, if you have any questions.

Melina

Melina Whitehead
Acting Director
San Francisco Office of Public Housing
(415) 489-6432



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
600 Harrison Street
San Francisco, California 94107-1387
www.hud.gov
espanol.hud.gov

APR 18 2011

Ms. Mary Piepho, Chairperson
Board of Commissioner
Contra Costa County Public Housing Authority
3133 Estudillo Street
P.O. Box 2759
Martinez, CA 94553

Dear Ms. Piepho:

The Public Housing Authority (PHA) has been designated as financially troubled under the Public Housing Assessment System (PHAS) for the fiscal year ended 3/31/2010. The Board of Commissioners should take immediate action to identify the source(s) of the PHA's financial distress and develop a plan to restore its financial viability. The following is provided as a self diagnostic tool to help the PHA's Board identify the root causes of its financial difficulties and develop a plan for recovery. Typically, when housing authorities are financially troubled they must either: (1) increase revenue, (2) decrease expenses, or (3) a combination of the two items. The following list provides common options for restoring the financial viability of a troubled housing authority.

Revenue Items:

- Improve tenant screening, lease enforcement and rent collection procedures to increase tenant rental revenue.
- Establish or raise minimum rents.
- Ensure all portability revenue is collected from the issuing housing authorities in the Housing Choice Voucher program.
- Offer property management services to commercial or governmental entities.
- Sell unencumbered property and/or obtain HUD approval to sell nonperforming property covered under a HUD Declaration of Trust.
- Obtain grant or subsidy revenue from State or Local Government agencies to cover cost overruns including non-Federal programs, or reduce the scope of those programs to operate within their financial means.

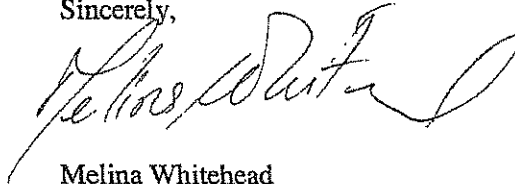
Expense Items

- Reduce salaries and employee benefits to levels that stay within your budget parameters.

- Evaluate utility consumption and consider policy revisions and/or entering into an agreement (e.g. Energy Conservation Contract) with an Energy Service Company (ESCO) to reduce utility costs.
- Evaluate all existing contracts for cost and necessity.
- Evaluate and re-price insurance agreements.
- Evaluate vehicle usage and reduce fleet as necessary.
- Evaluate the cost effectiveness of contracting out maintenance and/or property management functions of the authority.

Please provide this office with the PHA's proposed financial recovery plan within calendar 30 days of receipt of this letter. This office is available to work with you to assist in developing a viable financial recovery plan, please call me or Mr. Andrew Nguyen 415-489-6443, if you request assistance.

Sincerely,



Melina Whitehead
Acting Director
Office of Public Housing

Attachments:

PHAs Score (screen shot)

cc: John Gioia, Board Member, District I
Gayle B. Uilkema, Board Member, District II
Susan Bonilla, Vice Chair, District IV
Federal D. Glover, Chair, District V
Diana Tenes, Board Member
Joseph Villarreal, Executive Director



U. S. Department of Housing and Urban Development
 OFFICE OF PUBLIC AND INDIAN HOUSING
 REAL ESTATE ASSESSMENT CENTER

Report Date: 1/21/2011

Public Housing Assessment System (PHAS) Score Report for the Transition Year

PHA Code:	EA011
PHA Name:	County of Santa Rosa Housing Authority
Fiscal Year Ends:	3/31/2011

PHAS Indicator	Score	Maximum Score
Physical	24	30
Add: PCNE adjustment	1	
Financial	15	30
Management	25	30
Resident	9	10
PHAS Total Score	74	100
PHAS Designation	Substandard Financial	

Initial PHAS score issued date: 1/21/2011

Financial Sub-Indicator	Score	Maximum Score
1. Current Ratio	6.59	9.0
2. Months Expendable Funds Balance	2.81	9.0
3. Tenant Receivable Outstanding	0.00	4.5
4. Occupancy Loss	4.50	4.5
5. Net Income	0.00	1.5
6. Expense Management	1.50	1.5
Less: Audit Penalties	0.00	
Total Financial Score	15.40	30.0

Notes:

1. The sum of the sub-indicator scores may not equal the overall score due to rounding.
2. PCNE adjustment will not display in REAC's on-line system.
3. REAC on-line system may display data which is more current than the data shown on this Score Report.

Joseph Villarreal

From: PHAS [phas@hud.gov]
Sent: Thursday, April 14, 2011 10:24 AM
To: Joseph Villarreal
Cc: Chiang, Frank S; Whitehead, Melina M; Schneller, Stephen; Windt, Gerard
Subject: Troubled PHA PHAS Score Report - CA011 - 03/31/10 - JA
Attachments: CA011_03312010.pdf

Dear Executive Director:

This letter is to advise you that the Public Housing Assessment System (PHAS) score for your public housing agency (PHA) has been issued **for the fiscal year end stated in the subject line of the email**. Attached is the PHA's PHAS Score Report showing the overall score and the four indicator scores.

A PHA may appeal its PHAS score pursuant to 24 CFR § 902.69 of the PHAS rule if an objectively verifiable and material error exists in the score of one or more of the PHAS indicators, which, if corrected, will result in a significant change in the PHAS score and designation. Please note that appeals must be submitted in writing within 30 days following the initial issuance of the PHAS score and addressed to:

Mr. David A. Vargas
Deputy Assistant Secretary
U.S. Department of Housing and Urban Development
Real Estate Assessment Center
550 12th Street S.W.
Suite 100
Washington, DC 20410

If we do not receive an appeal in accordance with the information above, the PHAS score and corresponding designation of troubled or substandard in one area (troubled) will be final 30 days from the date of this letter. That final score and corresponding designation will be reflected in HUD's next quarterly posting of PHAS scores and the Secretary's troubled status list.

Should you need any assistance regarding this matter, please do not hesitate to send an email to PHAS@hud.gov or contact the PIH-Real Estate Assessment Center (REAC) Technical Assistance Center (TAC) at 1-888-245-4860 from 7:00am to 8:30pm Eastern Daylight Time (EDT), Monday through Friday.

Johnson Abraham
Program Manager
Integrated Assessment Subsystem
US Department of Housing & Urban Development



U. S. Department of Housing and Urban Development
 OFFICE OF PUBLIC AND INDIAN HOUSING
 REAL ESTATE ASSESSMENT CENTER

Report Date: 4/15/2011

Public Housing Assessment System (PHAS) Score Report for the Transition Year

PHA Code:	CA011
PHA Name:	County of Contra Costa Housing Authority
Fiscal Year End:	3/31/2010

PHAS Indicators	Score	Maximum Score
Physical	24	30
Add: PCNE adjustment	1	
Financial	17	30
Management	25	30
Resident	9	10
PHAS Total Score	76	100
PHAS Designation	Substandard Financial	

Initial PHAS score issued date: 1/21/2011

Financial Sub-Indicators	Score	Maximum Score
Submission Type: Audited/A-133		
1. Current Ratio	7.10	9.0
2. Months Expendable Funds Balance	3.90	9.0
3. Tenant Receivable Outstanding	0.00	4.5
4. Occupancy Loss	4.50	4.5
5. Net Income	0.00	1.5
6. Expense Management	1.50	1.5
Less: Audit Penalties	-0.45	
Total Financial Score	16.55	30.0

Notes:

1. The sum of the sub-indicator scores may not equal the overall score due to rounding.
2. PCNE adjustment will not display in REAC's on-line system.
3. REAC on-line system may display data which is more current than the data shown on this Score Report.



MAY 11 2011

U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
600 Harrison Street
San Francisco, California 94107-1387
www.hud.gov
espanol.hud.gov

Ms. Gail B. Uilkema
Chairperson
Board of Commissioners
Housing Authority of the County of Contra Costa
651 Pine St. #108A
Martinez, CA 94553

Dear Ms. Uilkema:

SUBJECT: Low Rent Memorandum of Agreement Part B

The purpose of this letter is to inform you that the Housing Authority of the County of Contra Costa (HACC) is not fulfilling its obligations under a Memorandum of Agreement (MOA) with HUD dated September 21, 2009, for the HACC's Low Rent Public Housing program.

The HACC was evaluated in accordance with the provisions of the Public Housing Assessment System (PHAS) as codified at 24 CFR Part 902, received a score of less than 18 for Financial indicator as required, and was designated as "Troubled."

Under the requirements of 24 CFR Section 902.75, those housing authorities which are designated troubled must enter into a binding contractual agreement designated as Memorandum of Agreement (MOA) with HUD for the purpose of improving the PHA's score in each of the PHAS indicators to 60% or above as required by 24 CFR Part 902.

As of this date, we have not received any delinquent MOA Part B Monthly Progress Report since March 31, 2010, from the HACC. Therefore, we are unable to document what, if any, progress has been made by HACC to complete the terms of the MOA.

A review of the HACC's Public Housing Agency Plan (Plan) for fiscal year (FY) 2011 revealed that it lacked the following items:

- Annual Statement/Performance and Evaluation Reports for open Capital Fund (CF) in fiscal years 2005, 2006, 2007, 2008, 2009, and 2011 plus Replacement Housing Factor (RHF) grants awarded in FY 2005, 2006, 2007, 2008, 2009, and 2010 were missing. Also, the annual Statement/Performance and Evaluation Report for CF Grant awarded in FY 2010 should be revised to remove Contingency.
- The form HUD 50075.2, Capital Fund Five Year Action plan was not submitted in the Plan.

- No additional information was provided for its troubled Low Rent Public Housing and Section 8 Housing Choice Voucher (HCV) in Section 10.0 of the Plan.

Therefore, our office disapproved the Plan as submitted.

HACC has also received a failing score for FY ending March 31, 2010, and has not yet completed its Memorandum of Agreement Part B signed on September 21, 2009, for removing its Troubled designation and becoming a Standard performing agency.

In our letter dated April 18, 2011, to Board Member Mary Piepho, we ask the HACC's Board of Commissioners to take immediate action to identify the source(s) of the PHA's financial distress and develop a plan to restore its financial viability. Typically, when housing authorities are financially troubled they must either: (1) increase revenue, (2) decrease expenses, or (3) a combination of the two items. Please provide this office with the HACC's proposed financial recovery plan by close of business May 23, 2011.

The continued deficiencies demonstrate a failure by HACC to achieve performance targets under the MOA and a deficiency in management and administration of the Low Rent Public Housing program in accordance with federal regulations. Further neglect to comply with the MOA and/or program requirements can result in the HACC's failure to remove its Troubled designation by March 31, 2012, necessitating HUD to take strong and decisive action.

We welcome and encourage your support and cooperation. If you have any questions regarding this matter, please feel free to contact me at (415) 489-6444 and/or Andrew Nguyen of my staff at (415) 489-6443. Thank you very much for your prompt attention to this important matter.

Sincerely,



Gerard R. Windt
Acting Director
Office of Public Housing

cc: Joseph Villarreal
Executive Director
Housing Authority of the County of Contra Costa
3133 Estudillo Street
P. O. Box 2759
Martinez, CA 94553

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

CI

TO: BOARD OF COMMISSIONERS

FROM: Joseph Villarreal, Executive Director

DATE: May 24, 2011

SUBJECT: COLLECTION LOSS WRITE-OFF FOR THE QUARTER ENDING SEPTEMBER 30, 2010

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

I. RECOMMENDED ACTION:

ADOPT Resolution No. 5139 approving collection loss write-offs in the amount of \$86,164.63 for the quarter ending September 30, 2010.

II. FINANCIAL IMPACT:

Uncollectable accounts impact on the budget by reducing total rental income. At the end of each quarter, the Housing Authority takes action to write off those accounts that have been determined to be uncollectable. Once an account is written off, it can be turned over to a collection agency. For the quarter ending September 30, 2010, a collection loss write-off in the amount of \$86,164.63 is recommended.

III. REASONS FOR RECOMMENDATION/BACKGROUND

This collection loss is for the public housing program. The requested collection loss write-off reflects a total of 41 accounts that are recommended for write-off. The average write-off is \$2,101.58 per account. The following chart illustrates the collection losses per quarter for the past four quarters:

CONTINUED ON ATTACHMENT: YES

SIGNATURE

Joseph Villarreal
Joseph Villarreal, Executive Director

RECOMMENDATION OF EXECUTIVE DIRECTOR COMMITTEE

RECOMMENDATION OF BOARD

APPROVE

OTHER

SIGNATURE(S):

Tully M. Ewell

ACTION OF BOARD ON APPROVED AS RECOMMENDED OTHER

VOTE OF COMMISSIONERS

UNANIMOUS (ABSENT)
AYES: NOES:
ABSENT: ABSTAIN:

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD OF COMMISSIONERS ON THE DATE SHOWN.

ATTESTED

JOSEPH VILLARREAL, SECRETARY OF THE BOARD OF COMMISSIONERS AND EXECUTIVE DIRECTOR

BY , DEPUTY

Conventional Program

09/10	\$86,164.63
06/10	\$50,073.25
03/10	\$36,433.01
12/09	\$65,112.20

Prior to submission of an account for write-off, staff makes every effort to collect money owed the Authority. Once an account is written-off, it is referred to a collection agency for further repayment efforts.

IV. CONSEQUENCES OF NEGATIVE ACTION:

Should the Board of Commissioners elect not to adopt Resolution No. 5139 these accounts would inflate the total accounts receivable for the Housing Authority and present a distorted financial picture.

THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

RESOLUTION NO. 5139

RESOLUTION APPROVING COLLECTION LOSS WRITE-OFF IN THE AMOUNT
OF \$86,164.63 FOR THE QUARTER ENDING SEPTEMBER 30, 2010

WHEREAS, certain accounts of vacated tenants have been determined to be
uncollectable by management, and;

WHEREAS, a majority of these tenants accounts have been, or will be turned over to a
collection agency for continuing collection efforts;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the
Housing Authority of the County of Contra Costa that the following amounts be
written off for collection loss for the quarter ending SEPTEMBER 30, 2010

	Conventional Program
Dwelling Rent	\$50,933.70
Legal Charges	\$ -0-
Maintenance & Other Charges	\$35,230.93
Total	\$86,164.63

PASSED AND ADOPTED ON _____ by the
following vote of the Commissioners.

AYES:

NOES:

ABSENT:

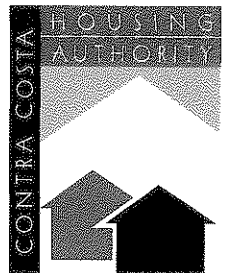
ABSTAIN:

I HEREBY CERTIFY THAT THIS IS A
TRUE AND CORRECT COPY OF AN
ACTION TAKEN AND ENTERED ON THE
MINUTES OF THE BOARD OF
COMMISSIONERS ON THE DATE SHOWN.

ATTESTED _____
JOSEPH VILLARREAL, SECRETARY
OF THE BOARD OF COMMISSIONERS
AND EXECUTIVE DIRECTOR

BY _____

HOUSING AUTHORITY
OF THE
COUNTY OF CONTRA COSTA
MEMORANDUM



affordable housing solutions

TO: Joseph Villarreal, Executive Director

FROM: Elizabeth Campbell, Director of Managed Housing Programs

SUBJECT: Vacated Collection Loss Write-Offs

DATE: September 30, 2010

I have reviewed the request for Vacated Collection Loss Write-Off Accounts submitted by the Housing Managers and recommend that the following amounts be written off/submitted as non-collectible:

PROJECT	RENT	LEGAL	MAINTENANCE	TOTAL	TENANT ACCOUNTS
Alhambra Terr. Martinez CAL 11-1	147.80	-0-	462.60	610.40	1
Bridgemont, Antioch CAL 11-3	586.99	-0-	2,168.39	2,755.38	1
Los Nogales, Brentwood CAL 11-4	-0-	-0-	-0-	-0-	0
El Pueblo, Pittsburg CAL 11-5	5,999.38	-0-	6,035.80	12,035.18	7
Las Deltas, N. Richmond CAL 11-6	4,135.00	-0-	920.42	5,055.42	2
Los Arboles, Oakley CAL 11-8	-0-	-0-	-0-	-0-	0
Las Deltas, N. Richmond CAL 11-9A	8,306.11	-0-	15,108.05	23,414.16	5
Las Deltas, N. Richmond CAL 11-9B	5,157.00	-0-	1,396.23	6,553.23	2
Bayo Vista, Rodeo CAL 11-10	15,710.49	-0-	3,080.05	18,790.54	9
Hacienda, Martinez CAL 11-11	3,497.06	-0-	95.90	3,592.96	3
Casa de Manana, Oakley CAL 11-12	-0-	-0-	0	0	0
Casa de Serena Bay Point CAL 11-13	4,104.24	-0-	1,296.36	5,400.60	4
Elder Winds, Antioch CAL 11-15	1,059.63	-0-	2,406.82	3,466.55	4
Vista del Camino San Pablo 4501	1,369.00	-0-	1,369.45	2,738.45	2
Kidd Manor, San Pablo 4502	861.00	-0-	890.86	1,751.86	1
TOTALS:	\$50,933.70	-0-	\$35,230.93	\$86,164.63	41

C:\Documents and Settings\jhayes.CCCHA\Local Settings\Temporary Internet Files\OLK2B0\Write Off Chart 0910.doc

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

C2

TO: BOARD OF COMMISSIONERS

FROM: Joseph Villarreal, Executive Director

DATE: May 24, 2011

SUBJECT: UPDATE STATUS OF FEDERAL APPROPRIATIONS AFFECTING 2011/2012 ANNUAL AGENCY BUDGET

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

I. RECOMMENDED ACTION:

ACCEPT staff report on the approved federal fiscal year 2011 budget and its affect on the Housing Authority of the County of Contra Costa's (HACCC) 2011/2012 Annual Agency Budget.

II. FINANCIAL IMPACT:

The budget approved by the Board on March 22, 2011 showed an increase in HACCC's overall reserves of \$422,642. However, because of an additional \$1,440,179 cuts in the newly passed federal budget, staff currently project a \$289,123 decrease in the Authority's overall reserve levels (this decrease reflects both the new federal budget and HACCC's unaudited 2010/2011 final budget).

CONTINUED ON ATTACHMENT: X YES

SIGNATURE [Signature] Joseph Villarreal, Executive Director

RECOMMENDATION OF EXECUTIVE DIRECTOR RECOMMENDATION OF BOARD COMMITTEE

APPROVE OTHER

SIGNATURE(S):

[Signature]

ACTION OF BOARD ON APPROVED AS RECOMMENDED OTHER

VOTE OF COMMISSIONERS

UNANIMOUS (ABSENT) AYES: NOES: ABSENT: ABSTAIN:

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD OF COMMISSIONERS ON THE DATE SHOWN.

ATTESTED JOSEPH VILLARREAL, CLERK OF THE BOARD OF COMMISSIONERS AND EXECUTIVE DIRECTOR

BY DEPUTY

III. REASONS FOR RECOMMENDATION/BACKGROUND:

On March 22, 2011 HACCC's 2011/2012 budget was adopted by the Board as required by the U.S. Department of Housing and Urban Development (HUD). At that time a federal budget for FY 2011 had not been passed. In developing HACCC's budget, staff compared the budgets proposed by the Administration, the version that passed the House titled HR1 and the one reflected in the Continuing Resolution drafted by the Senate's Democratic Appropriations leadership on March 4, 2011. Where there was congruence, or near congruence, between two of the bodies, staff used that funding level as a starting point in developing HACCC's budget. Where there were significant differences between all of the proposed funding levels, staff projected a number somewhere in the middle of the three.

On April 15, 2011 President Obama signed the FY 2010/2011 federal budget into law. The cuts to the public housing program were almost exactly as expected as was the funding allocated to HCV Housing Assistance Payments funds for rental subsidies. However, HCV Administrative Fees were cut far more than anticipated. The chart below gives a quick overview of the four main funding streams for the HCV and public housing programs. The first column of the chart shows the projected federal funding levels

used by staff in developing HACCC's 2011/2012 budget. The second column shows the actual funding level of each of these streams in the federal budget signed by the President. The chart provides a brief explanation of each funding stream along with an explanation of what the funding level percentage relates to for each item.

	Projected Federal Funding Levels Reflected in HACCC Budget Passed 3-11	Funding Level in Approved Federal FY 11 Budget
HCV Housing Assistance Payments – These funds provide the rent subsidies paid on behalf of families on the HCV program. The 100% funding level reflects HUD's estimate that the federal budget provides full funding for all vouchers currently under contract nationally.	99.43%	100%
HCV Administrative Fee – This pays for staffing and all other operational and administrative costs for the HCV program. The funded percentage rate here is relative to the amount of administrative fees to which housing authorities nationally are entitled under HUD's regulations.	95%	78.5%
Public Housing Operating Subsidy – Along with tenant rents, the Operating Subsidy pays for salaries and other operational and administrative costs associated with the management and maintenance of the public housing program and properties. The Operating Subsidy is designed to make up for the fact that affordable public housing rents do not fully pay for the salaries and operational costs associated with running the program. The funded percentage rate here reflects a pro-ration of the amount HUD estimates housing authorities are eligible to receive.	95.8%	95.7%
Public Housing Capital Fund – This provides funding primarily for development, financing and modernization of	80%	80%

public housing properties. The percentage rate here is relative to the federal FY 2010 enacted funding level.		
---	--	--

The funding percentages shown above reflect overall funding provided to HUD. The cuts faced by individual housing authorities may be greater or lesser than the cuts to HUD as a whole. Because HUD funding to housing authorities is largely based on how many HCV or public housing units are under contract at the beginning of any given month (utilization) along with local costs, HUD must constantly adjust the funding it provides to individual agencies. Now that a federal budget has been passed, HUD must perform a series of analyses on national program utilization to determine if their initial budget projections were valid, especially since this data is quite old by now. If the projections were off, the funding percentages shown above will change. If past performance holds, HUD should complete this analysis and inform housing authorities of their funding levels by mid-June. Once that information is received from HUD, staff will update the budget as appropriate and report to the Board. If necessary, the Board will be asked to adopt an amended budget.

IV. CONSEQUENCES OF NEGATIVE ACTION:

None. Information item only.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

C3

TO: BOARD OF COMMISSIONERS

FROM: Joseph Villarreal, Executive Director

DATE: May 24, 2011

SUBJECT: TAKING BY EMINENT DOMAIN OF HACCC PROPERTY AT 1538 & 1540 THIRD STREET RICHMOND, CALIFORNIA BY THE COUNTY OF CONTRA COSTA REDEVELOPMENT AGENCY

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

I. RECOMMENDED ACTION:

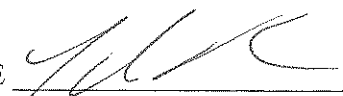
ADOPT Resolution No. 5138 supporting the taking by eminent domain of HACCC property at 1538 & 1540 Third Street Richmond by the County of Contra Costa Redevelopment Agency, and

AUTHORIZE the Executive Director to execute all measures necessary to obtain HUD's approval for the taking including the submission of an Inventory Removal Application (including the PHA Certification for Eminent Domain).

II. FINANCIAL IMPACT:

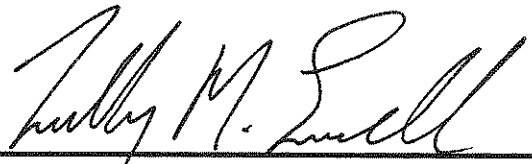
The Housing Authority will receive \$250,000 in just compensation.

CONTINUED ON ATTACHMENT: YES

SIGNATURE 
Joseph Villarreal, Executive Director

RECOMMENDATION OF EXECUTIVE DIRECTOR RECOMMENDATION OF BOARD COMMITTEE
 APPROVE OTHER

SIGNATURE(S):



ACTION OF BOARD ON _____ APPROVED AS RECOMMENDED _____ OTHER _____

VOTE OF COMMISSIONERS

UNANIMOUS (ABSENT _____)
AYES: _____ NOES: _____
ABSENT: _____ ABSTAIN: _____

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD OF COMMISSIONERS ON THE DATE SHOWN.

Contact: Joseph Villarreal (925) 957-8011

Orig: HACCC
CC: County Administrator
County Counsel

ATTESTED
JOSEPH VILLARREAL, SECRETARY OF
THE BOARD OF COMMISSIONERS
AND EXECUTIVE DIRECTOR

BY _____, DEPUTY

III. REASONS FOR RECOMMENDATION/BACKGROUND

In 1987 the County's Redevelopment Agency adopted a Redevelopment Plan to assist with the revitalization and elimination of blight in the North Richmond community. As part of this effort the Redevelopment Agency has begun development of the North Richmond Town Center in order to provide needed public amenities to the North Richmond community. As part of the first phase of developing the North Richmond Town Center, the Redevelopment Agency created the award winning Senior Heritage Apartments, North Richmond Health Center and Service Integration Team and it has recently installed Streetscape Improvements along Third Street between Chesley Avenue and Grove Street. These improvements have made a substantial, positive, impact on the North Richmond community.

The Redevelopment Agency is now ready to proceed with a new residential mixed-use development on the east side of Third Street between Chesley Avenue and Grove Street. This development is known as Heritage Point Project (Project) (formerly referred to as the Grove Point Mix Use Development). On March 31, 2009, as part of the Redevelopment Plan, the Redevelopment Agency's Board of Directors approved a Unified Development Area which consisted of six contiguous parcels in the one-block area on Third Street. This assemblage allowed the Agency to appraise, make conditional offers, negotiate purchase agreements subject to Board approval and recruit a master developer for these six parcels that comprise the Project. One of the six properties necessary for the Project is under the ownership of the Housing Authority (HACCC).

Staff believes it is in HACCC's best interest to cooperate with the Redevelopment Agency on this project. The subject parcel contains a duplex with two public housing units currently occupied as part of the Authority's Las Deltas scattered site development (CA01160000, Las Deltas Annex 1). While the subject units are currently occupied by public housing tenants, the overall property (Las Deltas) is under-utilized with over forty long-term and twenty short-term vacant units. The units were all constructed in the early 1960s and are in need of significant repairs. It is highly unlikely that this property will be fully utilized in its current composition and the Redevelopment Agency's acquisition of the subject property will assist both HACCC's and the Redevelopment Agency's efforts to eliminate blight and speed revitalization in the area.

In order for the Redevelopment Agency to acquire the property expeditiously, HACCC must agree to the taking and HUD must approve of the action. HUD approval is required because while HACCC owns the property, it is held in trust for the benefit of HUD. Before HACCC can request HUD approval, the Redevelopment Agency must have taken the first step required under state law for a taking by eminent domain to occur. The Redevelopment Agency has done this. On February 28, 2011 the Redevelopment Agency provided HACCC with a Notice of Intention to Adopt a Resolution of Necessity for the acquisition of the subject property and this Resolution was adopted by the Redevelopment Agency's Board of Directors on April 5, 2011. The Redevelopment Agency has also, through the County's Public Works Department, Real Property Division, made an offer of just compensation in the amount of \$250,000 to HACCC for the property rights required for the Project. The offer was based on an appraisal of the 2008 fair market value of said property rights by an independent, licensed appraiser.

This sale of these units would also provide a much-needed infusion of cash to the Las Deltas project. HUD funds housing authorities via formula for occupied units. Under the newly passed federal budget, HACCC expects to receive only \$4,273.26 in operating subsidy and \$2,023.51 in capital funding annually for these units. Operating subsidy covers all management and general maintenance costs for these units and the capital fund provides for modernization projects such as new roofs, security and social services. The \$250,000 sales price for these units then is the equivalent of nearly forty years of HUD funding ($250,000 / [4,273.26 + 2,023.51]$). Further, because the current tenants have expressed a desire to move into vacant units elsewhere in Las Deltas, the property as a whole will not lose any subsidy due to this action.

Procurement Policy

To proceed with the taking, HACCC must submit an Inventory Removal Application to HUD that includes a resolution of Board support and a PHA Certification for Eminent Domain.

Based on the foregoing, it is our request that the Board of Commissioners adopt the resolution demonstrating support for the taking and directing the Authority to submit the Inventory Removal Application and PHA Certification for Eminent Domain to obtain HUD consent.

IV. CONSEQUENCES OF NEGATIVE ACTION

Should the Board of Commissioners elect not to adopt Resolution 5138, the redevelopment of Heritage Point and the completion of Phase II of the North Richmond Town Center will be jeopardized. The Redevelopment Agency would also suffer a significant financial loss because of the investment already expended for the Project through the acquisition of five previous parcels would be compromised. The Redevelopment Agency may decide to pursue this matter in court, which would cost both HACCC and the Redevelopment Agency further.

THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

RESOLUTION NO. 5138

APPROVING THE TAKING BY EMINENT DOMAIN OF AUTHORITY PROPERTY
LOCATED AT 1538 AND 1540 THIRD STREET BY THE CONTRA COSTA COUNTY
REDEVELOPMENT AGENCY

Whereas, the property at 1538 and 1540 Third Street, North Richmond (APN 409-080-0115), is owned by the Housing Authority of the County of Contra Costa and occupied as Public Housing under an Annual Contributions Contract with the US Department of Housing and Urban Development , and

Whereas, the Contra Costa County Redevelopment Agency adopted Resolution No. 2009/115 on May 12, 2009, creating a Program of Unified Development for the East Side of 3rd Street between Chesley Avenue and Grove Street in North Richmond, and

Whereas, the Contra Costa County Redevelopment Agency is now seeking to acquire 1538 and 1540 Third Street, through eminent domain, for the Fair Market Value of \$250,000.00 under the authority of Ordinance 99-31, the Third Amendment of the Redevelopment Plan for the North Richmond Redevelopment Project Area, June 8th, 1999, and

Whereas, the current residents of 1538 and 1540 Third Street have been informed of the taking and will be provided with relocation benefits and services by the Redevelopment Agency in accordance with local, state and federal laws, and

Whereas, Board support is necessary to obtain HUD consent to the taking in order to release the Declaration of Trust on the subject property;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the County of Contra Costa that the Board supports the taking of 1538 and 1540 Third Street for the just compensation of \$250,000.00 and directs the Authority to submit the Inventory Removal application with PHA Certification for Eminent Domain to HUD to obtain consent.

PASSED AND ADOPTED ON _____ by
the following vote of the Commissioners.

AYES:

NOES:

ABSENT:

ABSTAIN:

HEREBY CERTIFY THAT THIS IS A
TRUE AND CORRECT COPY OF AN

ACTION TAKEN AND ENTERED ON THE
MINUTES OF THE BOARD OF
COMMISSIONERS ON THE DATE SHOWN.

ATTESTED _____
JOSEPH VILLARREAL, CLERK OF THE
BOARD OF COMMISSIONERS
AND EXECUTIVE DIRECTOR

By _____

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

CY

TO: BOARD OF COMMISSIONERS

FROM: Joseph Villarreal, Executive Director

DATE: May 24, 2011

SUBJECT: RESOLUTION NO. 5137 CERTIFICATION FOR SECTION EIGHT MANAGEMENT ASSESSMENT PLAN (SEMAP) FOR FISCAL YEAR ENDING 3/31/2011

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

I. RECOMMENDED ACTION:

APPROVE Resolution No. 5137 certifying the results of the Section 8 Management Assessment Plan (SEMAP), subject to U. S. Department of Housing and Urban Development (HUD) confirmatory review, for the Housing Authority of the County of Contra Costa (HACCC) for the fiscal year ending March 31, 2011.

II. FINANCIAL IMPACT:

HUD provides over \$78 million annually to serve low-income families in Contra Costa County via the Housing Choice Voucher (HCV) rental assistance program. Approval of this SEMAP certification is a condition for continued funding.

CONTINUED ON ATTACHMENT: X YES

SIGNATURE

[Signature]
Joseph Villarreal, Executive Director

✓ RECOMMENDATION OF EXECUTIVE DIRECTOR

RECOMMENDATION OF BOARD COMMITTEE

✓ APPROVE

OTHER

SIGNATURE(S):

[Signature]

ACTION OF BOARD ON APPROVED AS RECOMMENDED OTHER

VOTE OF COMMISSIONERS

UNANIMOUS (ABSENT)
AYES: NOES:
ABSENT: ABSTAIN:

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD OF COMMISSIONERS ON THE DATE SHOWN.

ATTESTED

JOSEPH VILLARREAL, CLERK OF THE BOARD OF COMMISSIONERS AND EXECUTIVE DIRECTOR

BY , DEPUTY

III. REASONS FOR RECOMMENDATION/BACKGROUND

SEMAP is HUD's report card for HCV programs administered by housing authorities nationwide. Data on the essential operations of the HCV program are reported annually to HUD and scored according to HUD regulations.

The SEMAP rating consists of fourteen separate Indicators. These Indicators, and HACCC's score in each, are attached. Based upon HACCC's scoring, our HCV program is entitled to receive 120 out of 145 possible points. This qualifies HACCC as a "Standard performer" under HUD's SEMAP program. HUD must conduct a confirmatory review before this rating will become official.

HACCC achieved favorable ratings in thirteen of the fourteen SEMAP Indicators. Specifically, HACCC scored points in the following Indicators:

- Determination of Rent Reasonableness
- Determination of Adjusted Income
- Maintaining Current Utility Allowance Schedules
- Conducting Housing Quality Standards (HQS) Quality Control Inspections
- HQS Enforcement
- Expanding Housing Opportunities
- Maintaining Current Payment Standards
- Conducting Annual Income Reexaminations
- Correctly Calculating Tenant Rent
- Conducting Pre-Contract HQS Inspections
- Conducting Annual HQS Inspections
- Lease-Up/Utilization Rate
- Family Self Sufficiency Enrollment & Escrow Account Balances

HACCC did not score any points in the following Indicator:

- Selection from the Waiting List

Selection from the Waiting List measures whether a housing authority has written policies in its Administrative Plan for selecting applicants from the waiting list and whether the housing authority follows these policies when selecting applicants for admission from the waiting list. While HACCC has a HUD-approved waiting list selection policy, no families have been called from the list since HUD's confirmatory review of February 5-9, 2007 that rated this Indicator at 0 points. Because there has been no new wait list selection data to review, HUD has left the rating for this Indicator at 0 points. In discussions with staff, HUD has indicated that HACCC may be able to successfully appeal this rating based on the fact there is an approved selection policy and an updated computer system in place since HUD's last confirmatory review. Further, the fact that no families have been selected from the wait list since HUD's last confirmatory review is solely due to reduced funding levels, not any negative actions by HACCC. Staff is working with HUD to schedule a new confirmatory review and is hopeful that HACCC will receive points for this Indicator.

HACCC also expects to receive additional points in the following Indicator:

- Deconcentration Bonus

The Deconcentration bonus is awarded to housing authorities that have metropolitan jurisdictions and can demonstrate that families with children either live-in currently, or are moving to, low-poverty census tracts. To receive this bonus for in-place families, a housing authority has to be able to demonstrate that half or more of all HCV families with children reside in low poverty (<10%) census tracts. HACCC has 2,709 families with children on the HCV program. Of these, 1,501 (55%) reside in low-poverty census tracts.

IV. CONSEQUENCES OF NEGATIVE ACTION:

Should the Board of Commissioners elect not to approve Resolution No. 5137, the Housing Authority would be in jeopardy of losing \$78 million in funding that provides rental assistance for low-income families in Contra Costa County.

THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

RESOLUTION NO. 5137

RESOLUTION APPROVING THE SECTION EIGHT MANAGEMENT ASSESSMENT
PROGRAM CERTIFICATION FOR THE HOUSING CHOICE VOUCHER PROGRAM
AND AUTHORIZING SUBMISSION OF RELATED DOCUMENTATION

WHEREAS, it is the desire of the Board of Commissioners of the Housing Authority of the County of Contra Costa to continue to provide housing assistance payments for qualified low-income tenants; and

WHEREAS, the Housing Authority of the County of Contra Costa desires to ensure that its Housing Choice Voucher program functions within the standards of the U.S. Department of Housing and Urban Development (HUD) Section 8 Management Assessment Program (SEMAP);

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY, as follows:

1. The SEMAP certification for the Housing Authority of the County of Contra Costa for the period ending March 31, 2011, is hereby approved subject to any subsequent HUD confirmatory reviews; and,
2. The Executive Director of the Housing Authority of the County of Contra Costa is authorized to submit this certification and any related documentation to the U.S. Department of Housing and Urban Development. This Resolution shall be effective immediately.

PASSED AND ADOPTED ON _____ by
the following vote of the Commissioners.

AYES:

NOES:

ABSENT:

ABSTAIN:

I HEREBY CERTIFY THAT THIS IS A
TRUE AND CORRECT COPY OF AN
ACTION TAKEN AND ENTERED ON THE
MINUTES OF THE BOARD OF
COMMISSIONERS ON THE DATE SHOWN.

ATTESTED _____
JOSEPH VILLARREAL, CLERK OF THE
BOARD OF COMMISSIONERS AND
EXECUTIVE DIRECTOR

By _____

Points Earned: 5 Total Points: 120

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Bonus	Reports
---	---	---	---	---	---	---	---	---	----	----	----	----	----	-------	---------

13. Lease-Up

The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year.

PHA Response

Yes No

Maximum Possible Points: 20

Points Earned: 20 Total Points: 120

Reports

- Leased Families - Listing
- Leased Families - Cross-Tab

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Bonus	Reports
---	---	---	---	---	---	---	---	---	----	----	----	----	----	-------	---------

14a. Family Self-Sufficiency Enrollment

The PHA has enrolled families in FSS as required.

Applies only to PHAs required to administer an FSS program.

Check here if not applicable

a. Number of mandatory FSS slots (Count units funded under the FY 1992 FSS incentive awards and in FY 1993 and later through 10/20/1998. Exclude units funded in connection with Section 8 and Section 23 project-based contract terminations; public housing demolition, disposition and replacement; HUD multifamily property sales; prepaid or terminated mortgages under section 236 or section 221(d)(3); and Section 8 renewal funding. Subtract the number of families that successfully completed their contracts on or after 10/21/1998.

276

b. Number of FSS families currently enrolled

109

c. Portability: If you are the initial PHA, enter the number of families currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

0

Percent of FSS slots filled (b + c divided by a)

39.49%

14b. Percent of FSS Participants with Escrow Account Balances. The PHA has made progress in supporting family self-sufficiency as measured by the percent of currently enrolled FSS families with escrow account balances.

43.00%

Check here if not applicable

PHA Response

Yes No

Maximum Possible Points: 10

Points Earned: 5 Total Points: 120

Reports

- FSS Completed - Listing
- FSS Completed - Cross-Tab
- FSS Enrolled - Listing
- FSS Enrolled - Cross-Tab

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Bonus Indicator	Reports
---	---	---	---	---	---	---	---	---	----	----	----	----	----	-----------------	---------

Deconcentration Bonus Indicator

(Optional and only for PHAs with jurisdiction in metropolitan FMR areas).

The PHA is submitting with this certification data which show that:

(1) Half or more of all Section 8 families with children assisted by the PHA in its principal operating area resided in low poverty census tracts at the end of the last PHA FY;

(2) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHAs principal operating area during the last PHA FY is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the last PHA FY;

or

(3) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHAs principal operating area over the last two PHA FYs is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the second to last PHA FY.

PHA Response

Yes No

If yes, attach completed deconcentration bonus indicator addendum.

Reports

- Census - Listing as of 03/31/2011
- Census - Cross-Tab as of 03/31/2011
- Move In - Listing 04/01/2010 - 03/31/2011
- Move In - Cross-Tab 04/01/2010 - 03/31/2011
- Census - Listing as of 3/31/2010
- Census - Cross-Tab as of 3/31/2010
- Move In - Listing 4/1/2009 - 03/31/2011
- Move In - Cross-Tab 4/1/2009 - 03/31/2011
- Census - Listing as of 3/31/2009
- Census - Cross-Tab as of 3/31/2009

Maximum Possible Points: 5

Points Earned: 5 Total Points: 120

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Bonus	Reports
---	---	---	---	---	---	---	---	---	----	----	----	----	----	-------	---------

SEMAP Report

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

TO: BOARD OF COMMISSIONERS
FROM: Joseph Villarreal, Executive Director
DATE: May 24, 2011
SUBJECT: RISK MANAGEMENT POLICY STATEMENT

C5

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

I. RECOMMENDED ACTION:

ADOPT Resolution No. 5136 approving the Risk Management Policy Statement of the Housing Authority of the County of Contra Costa and AUTHORIZE execution of the statement by the Executive Director of the Housing Authority.

II. FINANCIAL IMPACT:

The Housing Authority could forfeit a premium credit from its liability insurance carrier, Housing Authority Risk Retention Group (HARRG), without the Risk Management Policy Statement.

CONTINUED ON ATTACHMENT: YES

SIGNATURE [Signature]
Joseph Villarreal, Executive Director

[X] RECOMMENDATION OF EXECUTIVE DIRECTOR COMMITTEE

[] RECOMMENDATION OF BOARD

[X] APPROVE

[] OTHER

SIGNATURE(S):

[Signature]

ACTION OF BOARD ON APPROVED AS RECOMMENDED OTHER

VOTE OF COMMISSIONERS

UNANIMOUS (ABSENT)
AYES: NOES:
ABSENT: ABSTAIN:

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF AN ACTION TAKEN AND ENTERED ON THE MINUTES OF THE BOARD OF COMMISSIONERS ON THE DATE SHOWN.

ATTESTED
JOSEPH VILLARREAL, CLERK OF THE BOARD OF COMMISSIONERS AND EXECUTIVE DIRECTOR

cc: CAO Office

BY , DEPUTY

III. REASONS FOR RECOMMENDATION/BACKGROUND

Housing Authority Risk Retention Group (HARRG), the Housing Authority's liability insurance carrier requires a Risk Control Work Plan each year. The HARRG premium credit is based on submission of documents supporting the implementation of risk control standards. For the 2011/12 insurance year, the Housing Authority of the County of Contra Costa will receive up to a 15% premium reduction by submission an annual Risk Control Work Plan and adopting a Risk Management Policy Statement.

As a part of the Risk Control Work Plan for 2011/12, HARRG is requiring that the Board adopt a resolution establishing Risk Management as an operational priority. The attached Risk Management Policy Statement fulfills that requirement.

IV. CONSEQUENCES OF NEGATIVE ACTION:

Should the Board of Commissioners elect not to adopt Resolution No. 5136, the Housing Authority could be denied a premium credit by HARRG for the 2011/12 insurance year.

HOUSING AUTHORITY
OF THE
COUNTY OF CONTRA COSTA



March 3, 2008

RISK CONTROL POLICY STATEMENT

The safety and well being of the residents and employees of the Housing Authority of the County of Contra Costa are of the utmost importance. Risk Management procedures are established and will be maintained to ensure that the highest level of safety is provided for all.

It is the intention of the Housing Authority to provide safe and healthy living and working conditions and to establish and insist upon safe practices at all times by all residents and employees. Management considers no phase of operation or administration as being of greater importance than accident prevention. It is the policy of the Housing Authority, therefore, to provide and maintain operating practices which will safeguard all residents, visitors, employees and property, and result in safe living/working conditions and efficient operations.

Risk control is an objective affecting all levels of the organization and its activities. It is, therefore, a basic requirement that each supervisor make the safety of residents, visitors and employees an integral part of his/her regular management function. It is equally the duty of each resident and employee to accept and follow established safety regulations and procedures.

Joseph Villarreal, Executive Director