



Boards of Commissioners Meeting

May 28, 2019

AGENDA

O (559) 443-8400

F (559) 445-8981

1331 Fulton Street
Fresno, California 93721
TTY (800) 735-2929

www.fresnohousing.org

Regular Joint Meeting of the Boards of Commissioners of the Fresno Housing Authority

5pm - May 28, 2019

1331 Fulton Street, Fresno, CA 93721

Interested parties wishing to address the Boards of Commissioners regarding this meeting's Agenda Items, and/or regarding topics not on the agenda but within the subject matter jurisdiction of the Boards of Commissioners, are asked to complete a "Request to Speak" card which may be obtained from the Board Secretary (Tiffany Mangum) at 4:45 p.m. You will be called to speak under Agenda Item 3, Public Comment.

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, signers, assistive listening devices, or translators should be made at least one (1) full business day prior to the meeting. Please call the Board Secretary at (559) 443-8475, TTY 800-735-2929.

5pm

1. Call to Order and Roll Call
2. Approval of agenda as posted (or amended)

The Boards of Commissioners may add an item to this agenda if, upon a two-thirds vote, the Boards of Commissioners find that there is a need for immediate action on the matter and the need came to the attention to the Authority after the posting of this agenda.

3. Public Comment

This is an opportunity for the members of the public to address the Boards of Commissioners on any matter within the subject matter jurisdiction of the Boards of Commissioners that is not listed on the Agenda. At the start of your presentation, please state your name, address and/or the topic you wish to speak on that is not on the agenda. Presentations are limited to a total of three (3) minutes per speaker.

4. Potential Conflicts of Interest – Any Commissioner who has a potential conflict of interest may now identify the item and recuse themselves from discussing and voting on the matter. (Gov. Code section 87105)**5. Retirement Acknowledgements****6. Consent Agenda**

All Consent Agenda items are considered to be routine action items and will be enacted in one motion unless pulled by any member of the Boards of Commissions or the public. There will be no separate discussion of these items unless requested, in which event the item will be removed the Consent Agenda and considered following approval of the Consent Agenda.

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| a. Consideration of the Minutes of April 23, 2019 | 5 |
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7. Informational

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8. Action

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| a. Consideration of Increased Predevelopment Loan
Commitment – Orchard Apartments (Parlier) | 52 |
| b. Consideration of Transfer of Excess Development
Proceeds to the Housing Relinquished Fund Corporation
(HRFC) | 58 |
| c. Consideration of Letter of Interest Submission – U.S.
Department of Housing & Urban Development | 61 |
| d. Consideration of the Amended Procurement Policy | 68 |

9. Commissioners' Report

10. Executive Director's Report

129

11. Closed Session**a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

(Pursuant to Government Code § 54954.5(b))

Property: APN: 466-191-09; 1828 Broadway St., Fresno,
CA 93721

Agency Negotiator: Preston Prince

Negotiating Parties: Fresno Housing Authority; Bains

Sukhwant Singh & Gian Kaur Trs

Under negotiation: Price and Terms

b. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Pursuant to Government Code § 54954.5(b))

Property: APN: 416-040-09; 130 W. Barstow Ave., Fresno,
CA 93704

Agency Negotiator: Preston Prince

Negotiating Parties: Fresno Housing Authority; Gary R.
Perez

Under Negotiation: Price and Terms

12. Report on Closed Session**13. Adjournment**

Minutes of the Joint Meeting
Of the Boards of Commissioners of the
HOUSING AUTHORITIES OF THE CITY AND COUNTY OF FRESNO

Tuesday, April 23, 2019

5:00 P.M.

The Boards of Commissioners of the Housing Authorities of the City and County of Fresno met in a regular session on Tuesday, April 23, 2019 at the HACCF property, located at 1331 Fulton Street, Fresno, California.

1. The regular meeting was called to order at 5:00 p.m. by Board Chair, Commissioner Jones, of the Board of Commissioners of the Housing Authority of this City of Fresno. Roll call was taken and the Commissioners present and absent were as follows:

PRESENT: Adrian Jones, Chair
 Rueben Scott
 Terra Brusseau
 Sharon Williams
 Ruby Yanez

ABSENT: Caine Christensen, Vice Chair
 Stacy Vaillancourt

The meeting was called to order at 5:00 p.m. by Board Vice Chair, Commissioner Castro, of the Board of Commissioners of the Housing Authority of Fresno County. Roll call was taken and the Commissioners present and absent were as follows:

PRESENT: Mary G. Castro, Vice Chair
 Joey Fuentes
 Nikki Henry
 Cary Catalano
 Valori Gallaher

ABSENT: Stacy Sablan, Chair

Also, in attendance were the following: Preston Prince, CEO/Executive Director, and Ken Price, Baker Manock and Jensen -General Counsel.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

There were no public comments.

CITY MOTION: *Commissioner Yanez moved, seconded by Commissioner Scott, to approve the agenda as posted.*

MOTION PASSED: 5-0

COUNTY MOTION: *Commissioner Henry moved, seconded by Commissioner Fuentes, to approve the agenda as posted.*

MOTION PASSED: 5-0

3. POTENTIAL CONFLICTS OF INTEREST

There were no conflicts of interest stated at this time.

4. DISCUSSION ON WILLOW/ALLUVIAL PROJECT

Ms. Tracewell Hanrahan briefly presented on the Willow/Alluvial project. Ms. Hanrahan provided information on Opportunity Areas. Additionally, she presented the key topics previously discussed in open session, which included opportunity areas and maps, the development pipeline, location, site selection, site plan, the development life cycle, and sources and uses.

After Ms. Hanrahan's presentation the public was given the opportunity to provide comments.

The following were the public comments presented after the Willow/Alluvial project presentation:

Mr. Eric Payne, resident and CEO of the Central Valley Urban Institute, briefly mentioned that he stands in strong support of this project, and reminded the Boards that Affirmatively Furthering Fair Housing is a legal obligation, and not an option.

Ms. Angelina Nguyen, Chief of Staff of the Fresno Housing Authority and resident of Fresno, CA (93720); however, in the Clovis Unified School District area, briefly talked about her challenges and experiences growing up. Ms. Nguyen said despite the challenges and opposition she experienced, they have contributed to her success. She spoke of the desired success for Fresno Housing residents and the need to ensure their success despite the challenges that exist. She added Fresno Housing Authority has a talented team with the right mix of life experiences that will contribute to figuring out how to address the challenges. She further discussed the need for authentic leadership and that the time to lead is now.

Ms. Doni Truax, a Housing Specialist for the Housing Choice Voucher program since 2002, also a resident of Clovis, CA, discussed her background and shared that she made a career in the Fresno Housing Authority. As a housing employee, she is in support of this project. She added that this project is an opportunity for this agency, utilizing the time and talents of this team.

Commissioner Jones apologized to the audience, the public and others for not challenging the words that were used at the last board meeting. The words used do not align with this agency, the City board, and she further apologized for not challenging those comments at the time they were given.

Commissioner Castro thanked Ms. Tracewell Hanrahan for her presentation on the project's background. In addition, she thanked the staff for their professionalism and work. She briefly shared about her and her family's experiences and challenges with housing. Additionally, her children were able to attend Garfield and Alta Sierra Schools, and she understands the concerns stated about those schools. Commissioner Castro further added that if she chooses this place for herself, she would also choose it for our residents. She further believes the families should have the same opportunities and access.

Commissioner Joey Fuentes, also a Housing Choice Voucher recipient, briefly talked about his experience and being a participant in this program. He added that he had a great experience with residing on the Westside of Fresno and his experience in a multi-ethnic community. He said he has great memories about west Fresno, but added that he moved to the northern area, Blackstone and Sierra, because his children have better opportunities in this area. He further stated that this project is a blessing for everyone in this community.

Commissioner Henry thanked the staff for coming forward to share their concerns, hurts and speaking up about this project, and words used at the last board meeting. She apologized for the Boards not speaking up on behalf of the staff. She thanked Mr. Preston Prince and the leadership team for creating and encouraging staff to come forward and speak. She believes that in order to grow, we need to continue to have people who are willing to call us in. Commissioner Henry added she is a Clovis resident, she went to Clovis schools, and loves Clovis. She added having choices for our residents is something she wants to see. She further thanked the City of Clovis' leadership for opening their arms and their willingness to partner with the Housing Authority in this manner.

Commissioner Williams stated she is from West Fresno, adding that she doesn't want to live anywhere else. She added that because of her personal experience, she doesn't believe migration is always good for everyone. She believes Clovis welcoming affordable housing is a good thing. Ms. Williams stated that she was not offended by the comments made during the last Board meeting; rather, she is offended because, in 2019, the discussion about the equal distribution of resources, race and housing is still needed. Ms. Williams would like for residents to have an opportunity to choose where they live, and finally, thanked Mr. Prince and staff for giving residents the opportunity to choose.

Commissioner Brusseau read a statement, where she acknowledged the offense caused by her statements during the previous board meeting, further stating she was deeply saddened and sorry for the pain caused by her words. She stated her belief that everyone deserves opportunity for success, and acknowledged that her words, taken out of their totality, may have sounded that she felt otherwise. Further, she met with Mayor Brand and community leaders, and stated that she has their full support to continue as a Commissioner, which she plans to do. She stated her wish that those offended would have come to her directly, as opposed to the media or to City Councilmembers with their frustrations. She stated that it was a time of uncertainty for all on intention and direction, and she hopes that lessons have been learned for everyone. She further stated that she looks forward to meeting with staff members and commissioners to understand their feelings, and how to move forward together to best serve the community. She stated her concern that the Housing Authority has concentrated their efforts too much on new development. She stated she will continue to advocate that the Housing Authority parallels their development efforts with resident services, so that residents can find economic prosperity and not only affordable housing.

Commissioner Scott stated he has been a board member for 35 years, fighting against discrimination while on the Fresno Housing Authority Board, at City College, and across this community. He briefly talked about his experience in dealing with Proposition 14, and how community members made controversial comments about housing. He stated he was proud that the Housing Authority was reaching communities that it did not reach in years past – Kingsburg, Clovis, and others. He spoke in support of the potential for diversity at Garfield Elementary and the benefit to the current students. He requested that staff further look in to how education, health, and behavioral health fits in to housing. He states he is proud of Clovis for opening up its doors and allowing the Housing Authority to do affordable housing development – a statement not just for Clovis, but to the work of the Agency. Finally, he affirmed the importance of the mission.

Commissioner Catalano stated that this brought him to reflect on the Boards' conversations on equal opportunity and equal access for our residents. Commissioner Catalano also stated his concerns on providing the tools and resources needed for resident success. He affirmed he believes the Agency needs rigorous resident services along with a good project. Commissioner Catalano would like to learn what tools are needed to realize this goal, as he fully supports the project and others in areas of opportunity.

Mr. Preston Prince stated Commissioner Brusseau's apology statement was appreciated, but was too late and should have been done earlier. He further stated that the day after the Board meeting, he met with more than a dozen staff who stated their hurt, concerns, anger and doubt in the leaders around the table, and the lack of confidence in the agency being able to represent them and the community they come from. He further expressed his hope that she would hear the stories, and listen to others as they discuss their concerns. He stated that he didn't grasp the pain of the comments until the following day. He appreciates her willingness to sit with staff, and he hopes she gets a chance to hear from others and learn more about the impact of her comments.

Ms. Lucinda Walls, Resident Services Coordinator, made public comments. She was raised on the affordable housing program, which was a wonderful experience. She requested the Commissioners get to know what people think, understand the experience of the residents, and to keep an open mind. Ms. Walls added the resident services program is in place, but more money is needed to continue the work and offer quality services to our residents.

Commissioner Yanez stated that at the March 26, 2019 board meeting she stayed quiet because she was shocked. She further stated that she believes Commissioner Brusseau didn't mean what she said, and she forgives Commissioner Brusseau for the comments that were made. She said she approves of the Willow and Alluvial project.

Commissioner Gallaher supports the project, residents should have the choice, and that educational success should be a primary point for residents. She apologized for the hurt the comments made, and she further affirmed that this project provides housing choice.

H. Spees, from the Office of the Mayor, made public comments. Mr. Spees stated the privilege the City has in having an Agency such as the Housing Authority. He further stated his belief that this Agency has the cultural competency to address this issue. He further expressed his support of the Agency's continued efforts to provide housing and realize our mission and values. He stated his biggest concern is that the Boards discipline themselves to ensure they continue to support policy and staff's efforts to do its work in creating affordable housing.

5. PUBLIC COMMENT

Pa Kou Cha, Outreach Specialist, California Telephone Access Program, discussed the Deaf and Disabled Telecommunication Program by the California Telephone Access Program.

Nikki, Housing Authority resident, asked for clarity on the process of the public comment period. She stated she believes that if she wants to make a public comment she should be able to speak longer than 3 minutes.

6. CONSENT AGENDA

All Consent Agenda items are considered to be routine action items and will be enacted in one motion unless pulled by any member of the Boards of Commissions or the public. There will be no separate discussion of these items unless requested, in which event the item will be removed from the Consent Agenda and considered following approval of the Consent Agenda.

a. Consideration of the Minutes of March 26, 2019

Commissioner Brusseau, informed the Boards that the minutes on page 8 were missing "locks," which was another safety concern stated by Commissioner Williams during her presentation on the Commissioners' Report. Commissioner Brusseau stated "locks" needed to be added.

General Counsel stated this item can be pulled and voted on separately.

CITY MOTION: *Commissioner Brusseau moved, seconded by Commissioner Williams to approve the Minutes of March 26, 2019 as amended.*

MOTION PASSED: 5-0

COUNTY MOTION: *Commissioner Henry moved, seconded by Commissioner Gallaher to approve the Minutes of March 26, 2019 as amended.*

MOTION PASSED: 5-0

- b. Consideration of Amended Joint Powers Agreement – California Housing Workers Compensation Authority (CHWCA)

CITY MOTION: *Commissioner Scott moved, seconded by Commissioner Yanez to approve the Amended Joint Powers Agreement – California Housing Workers Compensation Authority (CHWCA).*

MOTION PASSED: 5-0

COUNTY MOTION: *Commissioner Fuentes moved, seconded by Commissioner Gallaher to approve the Amended Joint Powers Agreement – California Housing Workers Compensation Authority (CHWCA).*

MOTION PASSED: 5-0

7. INFORMATIONAL

- a. Introduction to the Housing Choice Voucher Interest List

Ms. Angie Nguyen presented on this topic.

- b. Real Estate Development Update

Ms. Tracewell Hanrahan and Mr. Michael Duarte presented on this topic.

8. ACTION

- a. Consideration of the Omnibus Resolutions – Mariposa Meadows (Fresno)

Mr. Michael Duarte and Ms. Emily De La Guerra presented on this topic.

CITY MOTION: Commissioner Scott moved, seconded by Commissioner Yanez to approve the Omnibus Resolutions – Mariposa Meadows (Fresno).

MOTION PASSED: 5-0

COUNTY MOTION: Commissioner Gallaher moved, seconded by Commissioner Henry to approve the Omnibus Resolutions – Mariposa Meadows (Fresno).

MOTION PASSED: 5-0

b. Consideration of the Omnibus Resolutions – Orchard Apartments (Parlier)

Mr. Michael Duarte and Ms. Emily De La Guerra presented on this topic.

CITY MOTION: Commissioner Brusseau moved, seconded by Commissioner Scott to approve the Omnibus Resolutions – Orchard Apartments (Parlier).

MOTION PASSED: 5-0

COUNTY MOTION: Commissioner Fuentes moved, seconded by Commissioner Catalano to approve the Omnibus Resolutions – Orchard Apartments (Parlier).

MOTION PASSED: 5-0

c. Consideration of Assignments and Assumptions Agreement - Villa Del Mar

Ms. Emily De La Guerra presented on this topic.

CITY MOTION: Commissioner Scott moved, seconded by Commissioner Williams to approve the Assignments and Assumptions Agreement - Villa Del Mar.

MOTION PASSED: 5-0

COUNTY MOTION: Commissioner Gallaher moved, seconded by Commissioner Catalano to approve the Assignments and Assumptions Agreement - Villa Del Mar.

MOTION PASSED: 5-0

Public comment included the following:

Nikki, a Housing Authority resident, asked who can she talk to in regards to the Pilot programs, high opportunity zip codes and payment standards.

Mr. Prince stated Ms. Hanrahan, Ms. Nguyen or Ms. Aurora Ibarra, Fresno Housing Authority staff, can address Nikki's questions and concerns.

- d. Consideration of the Contract for General Construction/Construction Management Services –Willow Project (Continued from 3/26/19)

CITY MOTION: *Commissioner Scott moved, seconded by Commissioner Yanez to approve the Contract for General Construction/Construction Management Services – Willow Project.*

MOTION PASSED: 5-0

COUNTY MOTION: *Commissioner Fuentes moved, seconded by Commissioner Gallaher to approve the Contract for General Construction/Construction Management Services – Willow Project*

MOTION PASSED: 5-0

- e. Consideration of the Contract for General Construction/Construction Management Services – Huron (Continued from 3/26/19)

CITY MOTION: *Commissioner Scott moved, seconded by Commissioner Yanez to approve the Contract for General Construction/Construction Management Services – Huron.*

MOTION PASSED: 5-0

COUNTY MOTION: *Commissioner Henry moved, seconded by Commissioner Fuentes to approve the Contract for General Construction/Construction Management Services – Huron.*

MOTION PASSED: 5-0

- f. Consideration of Lease Agreement – U. S. Department of Veterans Affairs

Mr. Michael Duarte and Ms. Tracewell Hanrahan presented on this topic.

CITY MOTION: *Commissioner Scott moved, seconded by Commissioner Brusseau to approve the Lease Agreement – U. S. Department of Veterans Affairs.*

MOTION PASSED: 5-0

COUNTY MOTION: *Commissioner Henry moved, seconded by Commissioner Gallaher to approve the Lease Agreement – U. S. Department of Veterans Affairs.*

MOTION PASSED: 5-0

9. COMMISSIONERS' REPORT

Commissioner Jones briefly communicated about the April 2019 NAHRO Conference. Commissioner Jones stated the conference focused more on residents, which she considered fantastic.

Commissioner Jones said the NAHRO Committees talked about a future session for how to maintain a diverse, inclusionary and ethical Board. In the Sub-committee meeting, they discussed how to increase the number of NAHRO memberships and for board members to advocate locally. In addition, she briefly said the NAHRO committee asked for 3,400 letters and they received 4,200. NAHRO thanks the members who submitted their letters. The Committee is working on a letter for the residents to submit to their elected officials.

Also, she briefly shared about the education data gathered by Fresno Housing Authority staff, she presented the data at one of the NAHRO sessions. Commissioner Jones stated that this data reflects the resident educational accomplishment, of which a chart was included. The number that stood out the most was that 44% of the HCV residents have a high school diploma or GED. Also, 26% have graduated from college. Commissioner Jones said the tax credit residents have only 29% of them completing some high school. These are areas that need increased focus. She presented information on elementary and middle schools, and the barriers to work and education. The barriers highlighted were child care and work schedules. She stated she is very excited for the data, and looks forward to receiving more information that will help the Boards make informed decisions.

Additionally, she briefly shared about the additional meetings held during the visit to DC. Commissioner Jones shared on the Commissioners Fundamentals, which will be offered at the 2019 PSWRC Annual Conference in Anaheim, affirming Commissioner Henry has an interest and will be attending. Additionally, there will be other sessions available for Commissioners.

At the NAHO Summer Conference, the theme is “Connect to Results” and the National Conference is connecting to partners. Commissioner Jones said Ms. Tiffany Mangum will be moderating a session in the summer.

Mr. Prince talked about the outside visit at the NAHRO conference. He shared he met with Ms. Dominique Blom, Deputy Assistant Secretary for Public and Indian Housing (PIH). She said Fresno Housing Authority is performing good work, and encouraged staff to apply for the Move to Work program. Additionally, Mr. Prince said they meet with Principal Deputy Assistant Secretary R. Hunter Kurtz.

Mr. Prince also met with an Urban Institute representative, as they are taking a closer look at food scarcity and how it is related to housing. The Urban Institute selected six communities in which they want to conduct deeper research, and Fresno is one of the selected communities. The Institute’s work is being funded by Walmart, and will be coming to Fresno on June 21, 2019. Additionally, Fresno Housing Authority will support this work by connecting them with other partners such as the Better Blackstone Initiative, Central Valley Community Foundation, Fresno County and other partners. Mr. Prince and Fresno Housing staff met with Barbara Sard, Center of Budget and Policy Priorities, who is retiring soon. The conversation was around the best use of the Housing Choice Voucher. Additionally, they met with Diane Yentel, of the National Low Income Housing Coalition, amazing strong advocate for low-income housing, Matthew Duarte, Executive Director of U.S. Interagency Council in Homelessness, and Theresa Dumais, of Freddie Mac, about new financial tools that can be added to the Fresno Housing Authority development resources.

Additionally, Mr. Prince and Commissioner Adrian Jones laid a wreath at the Tomb of the Unknown Soldier, and honored homeless veterans served through VASH.

Commissioner Henry extended the invitation for Commissioners to attend these conferences, as she was able to experience the NAHRO sub-committee where Commissioner Jones presented the data on education. The data is very important and informative because it helps guide what type of services should be provided for the residents.

Commissioner Henry will be attending the 2019 PSWRC Conference in Anaheim. She is excited to attend this conference, adding that Commissioner Fundamentals is one of the requirements to complete NAHRO’s Commissioner’s Certificate.

Commissioner Henry also met with elected officials, stating that it is interesting that national leaders are looking at Fresno as a model and force across the nation. She stated she learned a great deal from meeting outside of the conference.

Commissioner Williams shared that she attended the Housing California Conference in Sacramento.. She talked about the sessions she participated in at Housing California, including the conversation on homelessness and veterans, stacked parking in the Bay Area, and LA county's conversation that building trust with residents, requires that the Agency reflects the population they serve. For example, LA County trains their residents and ensures they are hired within the agency. Therefore, the residents transition from homeless to jobless, then to on the job training to equip them for living. Commissioner Williams thanked Fresno Housing Authority for the opportunity to attend. She stated this conference was very educational.

Commissioner Catalano briefly talked about the conversation he had with Councilmember Sal Quintero. He added that the Fresno Housing Authority needs to help our elected leaders understand the work being done. He added it is understandable to have different opinions. Commissioner Catalano recommended to commissioners that they have regular meetings with officials who appoint them to the Board. He thanked the Fresno Housing Authority for coordinating the meeting.

10. EXECUTIVE DIRECTOR'S REPORT

In addition to the written Director's report, the following items were announced:

- Mr. Prince reminded the Boards the board retreat is scheduled for August 23, 2019 at the Falls Event Center.
- Mr. Prince presented our newest intern from Fresno State, Kody Kenshalo-Fino and announced that Candace Baker was promoted to Market Specialist.
- He briefly shared he is looking forward to posting the scope of work for the Diversity, Equity and Inclusion consultant.

11. CLOSED SESSION

The Boards went into closed session at approximately 7:45 pm.

- a. Public Employee Performance Evaluation
Title: CEO/Executive Director

The Boards returned to open session at approximately 7:57 p.m.

12. REPORT ON CLOSED SESSION

There were no items to report at this time.

13. ADJOURNMENT

There being no further business to be considered by the Boards of Commissioners for the Housing Authorities of the City and County of Fresno, the meeting was adjourned at approximately 7:57 p.m.

Preston Prince, Secretary to the Boards of Commissioners

BOARD MEMO

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1331 Fulton Mall

Fresno, California 93721

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www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince



CEO/Executive Director

DATE: May 24, 2019

BOARD MEETING: May 28, 2019

AGENDA ITEM: 7a

AUTHOR: Angie Nguyen, Chief of Staff

SUBJECT: Resident Services Presentation: Heaton Elementary

Executive Summary

Laura Gemetti, Principal at Heaton Elementary School (Fresno Unified School District) and Mary Helen Caggianelli, Assistant Manager - Resident Services with Fresno Housing Authority, will present information regarding the collaboration among community partners to address academic achievement for our residents attending Heaton Elementary School, Fresno, CA. Additional information will be provided at the Boards of Commissioners meeting.

Recommendation

No action is necessary. This item is informational only.

BOARD MEMO

O (559) 443-8400

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1331 Fulton Mall

Fresno, California 93721

TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince



CEO/Executive Director

DATE: May 24, 2019

BOARD MEETING: May 28, 2019

AGENDA ITEM: 7b

AUTHOR: Bobby Coulter

SUBJECT: The Executive Summary Report - An Interactive Data Dashboard
Series. Part 3: Housing Choice Voucher Interest List

Executive Summary

The purpose of this memo is to introduce the Boards of Commissioners to Part 3 of the Executive Summary Report – An Interactive Data Dashboard Series.

Over the last few months, the Information Systems team has been working to transform the Executive Summary Report into a series of interactive data dashboards. These visualizations will help to expand our culture of data collaboration and provide further insights into the work we do everyday. Part 3 of the series focuses on the Housing Choice Voucher (HCV) interest list application process and the people who apply for the HCV program.

Part III	Intro	Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview
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FRESNO VIBRANT
COMMUNITIES
QUALITY HOUSING
HOUSING
AUTHORITY ENGAGED
RESIDENTS

DRAFT

Interactive Data Dashboard

Part 3 – HCV Interest List

Part III	Intro	Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview
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DRAFT

Interactive Data Dashboard

*Board of Commissioners Meeting
May 28, 2019*

Part III	Intro	Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview
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DRAFT

Purpose

- Expand the use of meaningful data, analyses, and measurements that will allow for a greater understanding of the Agency's residents and programs
- To better understand our programs, residents, and community
- To provide better service and programs

Part III	Intro	Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview
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DRAFT

Solution

- Transform the Executive Summary narrative into a series of interactive data dashboards centered around some of the most common discussions, challenges, and goals.

Intro	Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview	Applicant Demographics
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DRAFT

Roadmap

Part 1 – People and Places: Applicants, Residents, and Properties

Part 2 –Central Office Lobby Customer Service

Part 3 - HCV Interest List

Part 4 - Our Staff: Demographics and Retention

Part 5 - Our Programs: HMD Statistics

Part 6 - Our Programs: HCV and Inspection Statistics

Part 7 - Resident Services

Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview	Applicant Demographics	Selected Applicants
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DRAFT



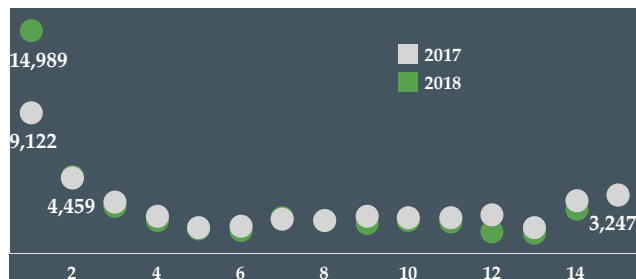
Solution	Roadmap	How an application becomes a home	Interest List Overview	Applicant Demographics	Selected Applicants	Questions
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Housing Choice Voucher Interest List Opening

FRESNO VIBRANT
QUALITY HOUSING COMMUNITIES
AUTHORITY ENGAGED RESIDENTS

DRAFT

Total Number of Applications by Day



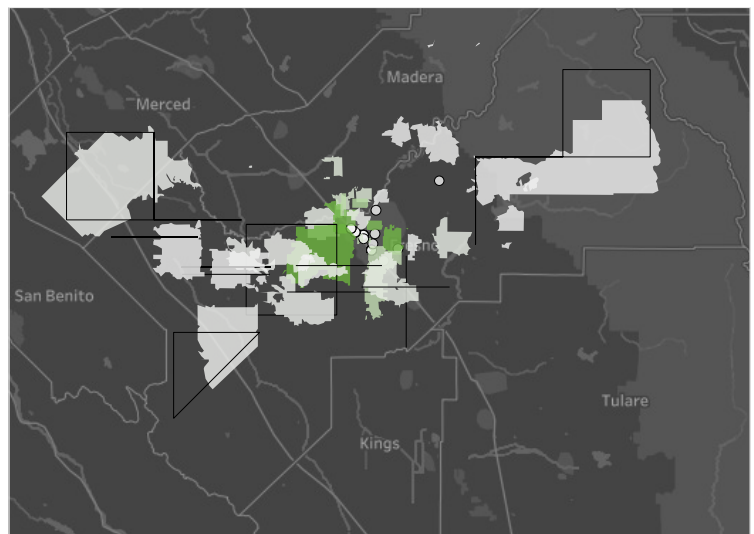
	City	County
2017	18,853	17,269
2018	19,643	18,439
Total	38,496	35,708

Total Applications

74,204	
Applicants	Applied for Both
36,343	81.02%

Preferences

Resident	42.97%
Disabled/Elderly	16.04%
Veteran	2.02%



Number of Applicants from Fresno County **62.67%**

Solution	Roadmap	How an application becomes a home	Interest List Overview	Applicant Demographics	Selected Applicants	Questions
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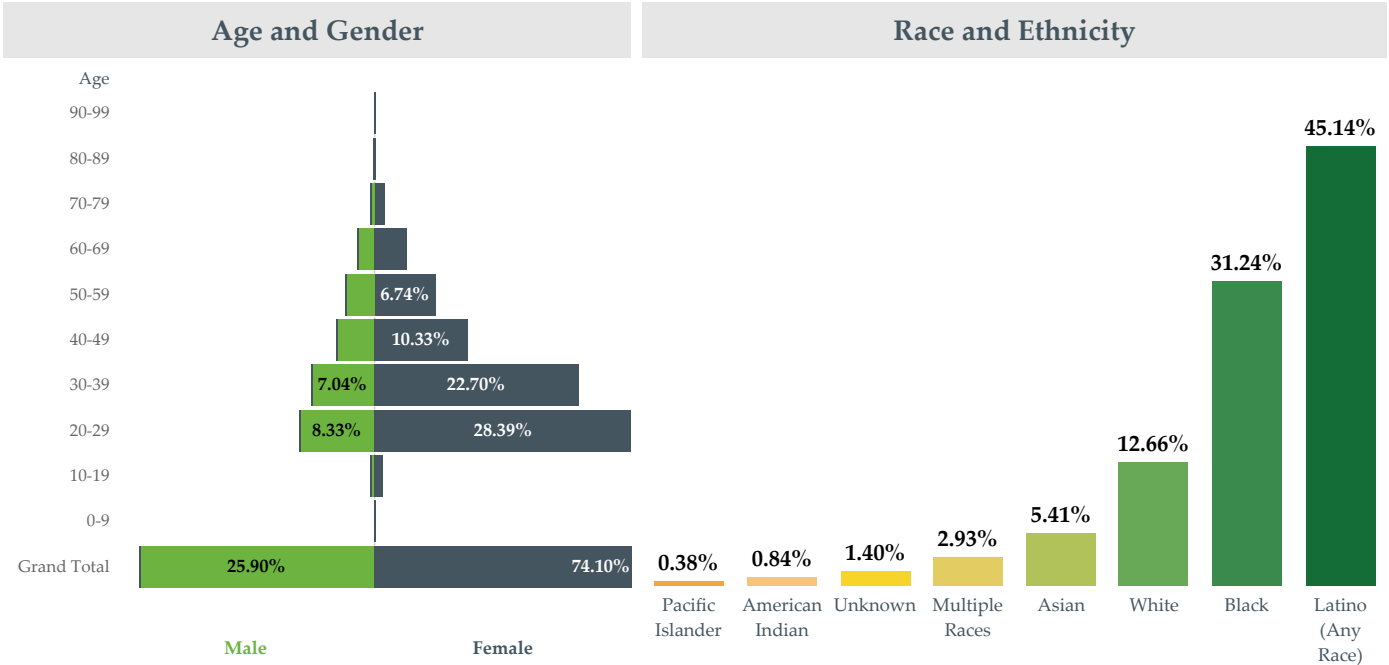
Housing Choice Voucher Applicants



Total Number of Applicants

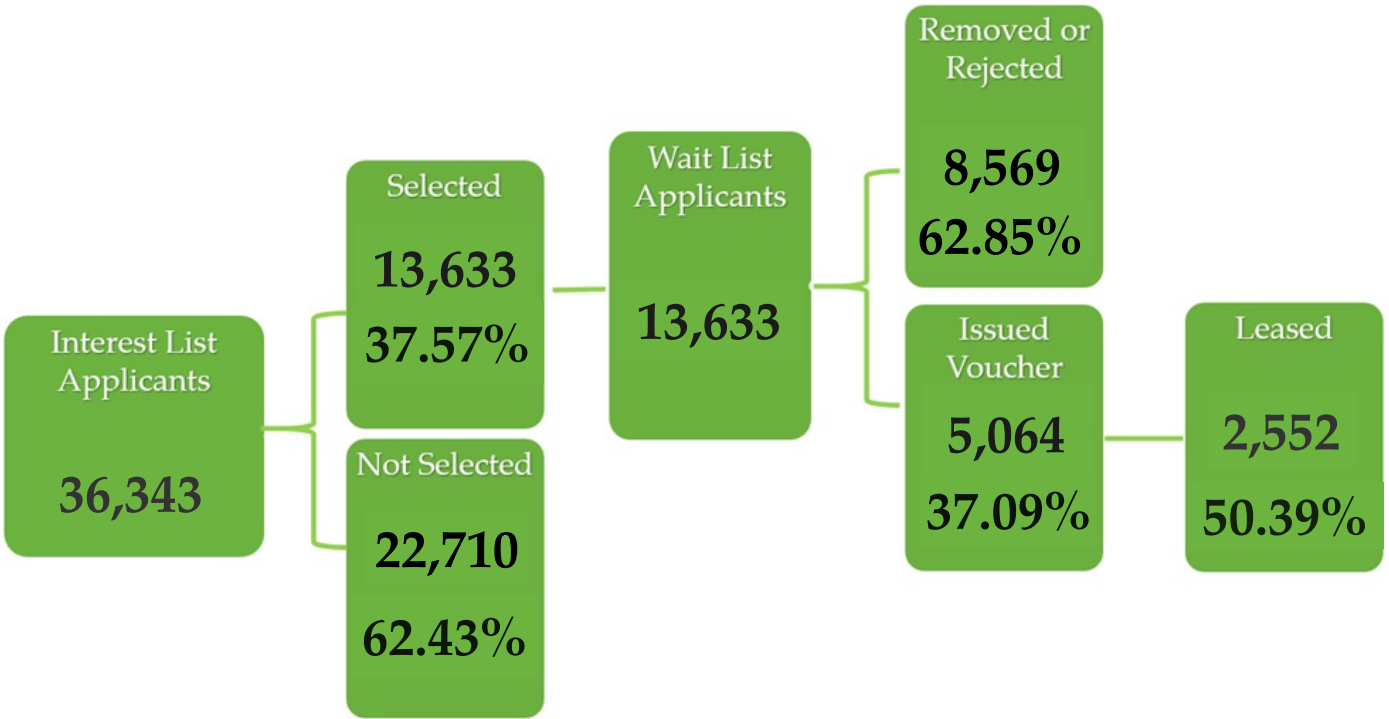
DRAFT

36,343



Residency	Elderly/Disabled	Veteran
42.97%	16.04%	2.02%

Solution	Roadmap	How an application becomes a home	Interest List Overview	Applicant Demographics	Selected Applicants	Questions
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Solution	Roadmap	How an application becomes a home	Interest List Overview	Applicant Demographics	Selected Applicants	Questions
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DRAFT

Questions?

BOARD MEMO


O (559) 443-8400
F (559) 445-8981

1331 Fulton Street
Fresno, California 93721
TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince 
CEO/Executive Director

DATE: May 24, 2019

BOARD MEETING: May 28, 2019

AGENDA ITEM: 7c

AUTHOR: Tracewell Hanrahan

SUBJECT: HUD Proposed Rule on Mixed/Prorated Families

Executive Summary

The purpose of this Board Memo is to provide the Boards of Commissioners with additional information on the Proposed HUD Rule that could impact families currently receiving prorated HUD assistance. “Mixed families” are families where one or more of the members of the household are not citizens or eligible non-citizens. HUD assistance is prorated for mixed families, such that subsidy is not provided for ineligible family members. Therefore, a higher rent is charged for families with the same number of members in a household but where there are ineligible members. Proposed Rules must go through a public comment period and further review before they become Final Rules.

Current Proration of HUD Assistance

Currently, families with a mixed immigration status may apply for assistance by declaring that each family member is either a U.S. citizen or an eligible non-citizen, or the family member may decide not to indicate their status by declaring themselves a “non contending member”; therefore, not submitting the verification documentation. Family members that declare themselves eligible must provide evidence of immigration status. Verification is done through a system administered by the Department of Homeland Security called SAVE (Systemic Alien Verification for Entitlements). Assistance is then provided only to the eligible family members and the Tenant Portion of the rent is prorated accordingly.

Fresno Housing follows the current HUD guidelines and prorates assistance for mixed families.

Proposed Changes

The proposed rule would make two changes to the current system. It would require that all family members (except those over the age of 62) have their immigration status verified through SAVE. They will no longer have the option to declare themselves as non-contending. In addition, the rule would specify that the head of household (HOH) must have a verified eligible immigration

status. Currently, only one member of the household needs to have eligible immigration status and it does not need to be the HOH.

Families in California and Texas, among other states, have a high number of mixed families. A large number of families and children will be impacted if this Proposed Rule becomes a Final Rule, as written. Public Comments are being accepted by HUD through July 9, 2019. Subsequently, the usual process is that changes can be made based on public comment, with a Final Rule being published for further public comment. In some instances, HUD abandons or delays a Final Rule.

There has been a great deal of news coverage across the country on this Proposed Rule, including extensive coverage in Fresno County. Our National Housing Organizations, NAHRO and CLPHA, have provided comments and perspectives on the Proposed Rule as well.

Staff has analyzed the potential impact of the rule in Fresno County across our major programs including Housing Choice Voucher, Public Housing, Multi-family PBRA (Project-Based Rental Assistance) and USDA (U.S. Dept. of Agriculture – Migrant and Farm Labor Housing programs). Properties funded solely utilizing Low Income Housing Tax Credits (LIHTC) are not subject to the Proposed Rule. Below is a summary of the number of families and children that could be impacted by this Proposed Rule.

Total Number of Mixed Families:	570
Total Number of People:	2606
Total Number of Children under 18:	1402
Total Number of Eligible Children under 18:	1377
Total Number of Eligible Adults:	548

Recommendation

This item is informational only. No action is required.

Proposed Rules

Federal Register

Vol. 84, No. 91

Friday, May 10, 2019

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Part 5

[Docket No. FR-6124-P-01]

RIN 2501-AD89

Housing and Community Development Act of 1980: Verification of Eligible Status

AGENCY: Office of the Secretary, HUD.

ACTION: Proposed rule.

SUMMARY: This proposed rule would make two changes to HUD's regulations implementing section 214 of the Housing and Community Development Act of 1980, as amended (Section 214). Section 214 prohibits the Secretary of HUD from making financial assistance available to persons other than United States citizens or certain categories of eligible noncitizens in HUD's public and specified assisted housing programs. The proposed rule would require the verification of the eligible immigration status of all recipients of assistance under a covered program who are under the age of 62. As a result, the proposed rule would make prorated assistance a temporary condition pending verification of eligible status, as opposed to under the current regulation where it could continue indefinitely. The proposed rule would also specify that individuals who are not in eligible immigration status may not serve as the leaseholder, even as part of a mixed family whose assistance is prorated based on the percentage of members with eligible status. HUD believes the amendments will bring its regulations into greater alignment with the wording and purpose of Section 214.

DATES: *Comment Due Date:* July 9, 2019.

ADDRESSES: Interested persons are invited to submit comments to the Office of the General Counsel, Rules Docket Clerk, Department of Housing and Urban Development, 451 Seventh Street SW, Room 10276, Washington, DC 20410-0001. Communications should refer to the above docket number

and title and should contain the information specified in the "Request for Comments" section. There are two methods for submitting public comments.

1. Submission of Comments by Mail. Comments may be submitted by mail to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW, Room 10276, Washington, DC 20410-0500. Due to security measures at all Federal agencies, however, submission of comments by mail often results in delayed delivery. To ensure timely receipt of comments, HUD recommends that comments by mail be submitted at least 2 weeks in advance of the public comment deadline.

2. Electronic Submission of Comments. Interested persons may submit comments electronically through the Federal eRulemaking Portal at <http://www.regulations.gov>. HUD strongly encourages commenters to submit comments electronically. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt by HUD, and enables HUD to make comments immediately available to the public. Comments submitted electronically through the <http://www.regulations.gov> website can be viewed by other commenters and interested members of the public. Commenters should follow instructions provided on that site to submit comments electronically.

Note: To receive consideration as public comments, comments must be submitted through one of the two methods specified above. Again, all submissions must refer to the docket number and title of the notice.

No Facsimiled Comments. Facsimiled (faxed) comments are not acceptable.

Public Inspection of Comments. All comments and communications submitted to HUD will be available for public inspection and copying between 8 a.m. and 5 p.m. weekdays at the above address. Due to security measures at the HUD Headquarters building, an advance appointment to review the public comments must be scheduled by calling the Regulations Division at (202) 708-3055 (this is not a toll-free number). Copies of all comments submitted are available for inspection and downloading at <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: John Gibbs, Senior Advisor, Office of the Secretary, Department of Housing and Urban Development, 451 7th Street, SW, Room 10282, Washington, DC 20410; telephone number (202) 402-4445 (this is not a toll-free number). Individuals with hearing or speech impediments may access this number via TTY by calling the Federal Relay, during working hours, at 1 (800) 877-8339 (this is a toll-free number).

SUPPLEMENTARY INFORMATION:

I. Section 214 of the Housing and Community Development Act of 1980

Section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a) (Section 214) prohibits HUD from making certain financial assistance available to persons other than United States citizens or specified categories of eligible noncitizens. The Section 214 requirements apply to financial assistance provided under the following HUD programs (collectively referred to as Section 214 covered programs):

1. Section 235 of the National Housing Act (12 U.S.C. 1715z) (the Section 235 Program);
2. Section 236 of the National Housing Act (12 U.S.C. 1715z-1) (tenants paying below market rent only) (the Section 236 Program);
3. Section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s) (the Rent Supplement Program); and
4. The United States Housing Act of 1937 (42 U.S.C. 1437 *et seq.*) which covers: HUD's Public Housing programs, the Section 8 Housing Assistance programs, and the Housing Development Grant programs (with respect to low-income units only).¹

Section 214 states that the "Secretary [of HUD] may not provide . . . assistance for the benefit of . . . [an] individual before documentation [of eligible immigration status] is presented and verified."² This is consistent with the statute's stated goal of ensuring that HUD's limited financial resources be used to aid families lawfully present in the United States, encompassing U.S. citizens and nationals, as well as

¹ 42 U.S.C. 1436a(b). Additional limitations on noncitizen eligibility are also found in the Personal Responsibility and Work Opportunity Act of 1996, 8 U.S.C. 1611(b)(1)(E).

² 42 U.S.C. 1436a(d)(2).

noncitizens with eligible immigration status as set forth in HUD regulations.³ However, Section 214 also contains several provisions to mitigate the potential impacts on the elderly and families. The Housing and Community Development Act of 1987⁴ (1987 HCD Act) amended Section 214 to exempt individuals 62 years of age or older from the immigration status verification requirements.⁵ The 1987 HCD Act also amended Section 214 to authorize “preservation assistance” to prevent the separation of families already receiving assistance on “the date of enactment of the” 1987 HCD Act (*i.e.*, February 5, 1988). Specifically, Section 214 authorizes the continuation of assistance to such a family if “necessary to avoid the division of the family” and the head of household or spouse has eligible immigration status.⁶ Assistance to such families, however, “may be provided only on a prorated basis, under which the amount of financial assistance is based on the percentage of the total number of [eligible] members.”⁷ Section 214 also authorized the temporary deferral of termination of assistance for families receiving assistance on February 5, 1988, but who were ineligible for continued assistance on a prorated basis “to permit the orderly transition of the individual and any family members involved to other affordable housing.”⁸

II. HUD’s Regulations Implementing Section 214

HUD’s original regulations implementing Section 214 were promulgated by final rule published on March 20, 1995, with an effective date of June 19, 1995.⁹ The 1995 final rule promulgated virtually identical noncitizens’ regulations for the various HUD programs covered by Section 214. On March 27, 1996,¹⁰ HUD published a final rule eliminating the repetitiveness of these duplicative regulations by consolidating the noncitizens requirements in a new subpart E to 24 CFR part 5 (captioned “Restrictions on Assistance to Noncitizens”), where they continue to be codified at present.

The preamble to the March 20, 1995, final rule stated that, for purposes of eligibility for preservation assistance, HUD considered the effective date of the final rule as the pivotal date rather than the date of enactment of the statute. As

noted, the amendments to Section 214 made by the 1987 HCD Act condition a family’s eligibility for preservation assistance on the family’s receipt of assistance on the date of the statute’s enactment. HUD explained in the preamble to the 1995 final rule that it had determined the provisions of Section 214 too “complex to be determined self-implementing as of the date of enactment of the 1987 HCD Act (February 5, 1988).” Thus, HUD’s regulations use the effective date of the March 20, 1995, final rule (June 19, 1995) as the relevant date for determining eligibility for preservation assistance.

HUD’s current regulations require that each family member applying for assistance under a Section 214 covered program either: (1) Submit a declaration declaring that he or she is a U.S. citizen, as defined in 24 CFR 5.504(b), or a noncitizen with eligible immigration status¹¹; or (2) elect not to contend eligible immigration status and, therefore, not submit documentation for verification.¹² Family members who declare themselves eligible must provide the original of a document designated by the Department of Homeland Security (DHS) as acceptable evidence of immigration status¹³ and consent to transmittal of a copy of the document and the information contained on the document to DHS to verify whether the individual has eligible immigration status.¹⁴ Verification of the immigration status of the individual is provided through Systematic Alien Verification for Entitlements (SAVE), which is administered by DHS.¹⁵ SAVE verifies the immigration status information of noncitizens.

The regulations require that financial assistance made available to a “mixed family” be prorated, based on the number of individuals in the family for whom eligibility has been affirmatively established.¹⁶ As noted, Section 214 provides for proration in the context of preservation assistance to mixed families grandfathered by the 1987 HCD Act. However, the amendments made by the 1987 HCD Act limited prorated continued assistance to families with a head of household or spouse in eligible immigration status. In contrast, HUD’s current regulations do not require that the head of household or spouse have

eligible immigration status in order for a mixed family to qualify for such assistance.

III. This Proposed Rule

This proposed rule would make two changes to the noncitizens regulations in 24 CFR part 5, subpart E. Several factors have prompted HUD to reconsider its noncitizens regulations. On April 10, 2018, President Trump issued Executive Order 13828, titled “*Reducing Poverty in America by Promoting Opportunity and Economic Mobility*.”¹⁷ Among other provisions, section 2(e) of the Executive order provides that agencies should “adopt policies to ensure that only eligible persons receive benefits and enforce all relevant laws providing that aliens who are not otherwise qualified and eligible may not receive benefits.” Further, consistent with the Administration’s regulatory reform efforts, HUD has undertaken a comprehensive review of its regulations to reduce unnecessary regulatory burdens, enhance the effectiveness of those regulations that are necessary, and promote principles underlying the rule of law, including ensuring the conformity of regulations with statutory mandates. HUD believes the proposed regulatory amendments are consistent with the principles of Executive Order 13828 and regulatory reform.¹⁸ The policy changes will bring HUD’s regulations into greater alignment with the requirements of Section 214 and make the administrative process for verification uniform. The proposed amendments are discussed below:

1. *Verification of eligible immigration status.* The first proposed amendment would require that the eligible immigration status of all recipients of assistance under a Section 214 covered

¹⁷ The Executive order was subsequently published in the *Federal Register* on April 13, 2018 (83 FR 15942), and is available at: <https://www.gpo.gov/fdsys/pkg/FR-2018-04-13/pdf/2018-07874.pdf>.

¹⁸ This proposed rule was also prompted by the March 6, 2017, Presidential Memorandum directing “[t]he heads of all relevant executive departments and agencies ‘[to] issue new rules, regulations, or guidance (collectively, rules), as appropriate, to enforce laws relating to such grounds of inadmissibility and subsequent compliance.’” Although the Presidential Memorandum is focused on the admissibility of aliens into the United States rather than programs of assistance, the proposed regulatory changes are consistent with the directives of the memorandum. See *Implementing Immediate Heightened Screening and Vetting of Applications for Visas and Other Immigration Benefits, Ensuring Enforcement of All Laws for Entry Into the United States, and Increasing Transparency Among Departments and Agencies of the Federal Government and for the American People*, 82 FR 16279 (April 3, 2017), available at <https://www.gpo.gov/fdsys/pkg/FR-2017-04-03/pdf/2017-06702.pdf>.

³ 42 U.S.C. 1436a(a).

⁴ Public Law 100–242, enacted February 5, 1988.

⁵ 42 U.S.C. 1436a(d)(2).

⁶ 42 U.S.C. 1436a(c)(1)(A).

⁷ *Id.*

⁸ 42 U.S.C. 1436a(c)(1)(B)(i).

⁹ 60 FR 14816.

¹⁰ 61 FR 13614.

¹¹ § 5.508(c).

¹² § 5.508(e).

¹³ § 5.510.

¹⁴ § 5.508(d)(2).

¹⁵ In actuality, the regulations refer to the Immigration and Naturalization Service (INS), a predecessor agency to DHS.

¹⁶ § 5.516(a)(1)(iii).

program who are under the age of 62 be verified through SAVE.

As noted, the regulations presently excuse individuals from submitting documentation if they do not contend to having eligible immigration status. This results in no actual determination of immigration status being made. The language of Section 214, however, contemplates that HUD assistance under a covered program will generally be contingent on verification of eligible immigration status. While Congress recognized that exceptions to this general verification requirement might be warranted in some cases, this statutory exception is narrowly tailored to individuals 62 years of age or older participating in Section 214 covered programs. In contrast, the “do not contend” provision of the regulation is more broadly applicable to all program participants. The proposed change will better conform HUD’s regulations to the statutory language of Section 214.

Under the proposed amendment to the rule, a current participant in a Section 214 covered program (with the exception of Section 235 assistance payments) who has not previously submitted evidence of eligible immigration status, will be required to do so at the first regular reexamination after the effective date of HUD’s final rule for this rulemaking. This typically occurs on an annual basis. For financial assistance in the form of Section 235 assistance payments, the mortgagee would be required to submit the required evidence in accordance with requirements imposed under the Section 235 Program. The proposed amendment to the rule would not change the timing of verification for new applicants to a Section 214 covered program.

2. Leaseholder eligibility. The second proposed regulatory amendment would specify that individuals who are not verified in an eligible immigration status may not serve as the head of household or spouse (*i.e.*, the holder of the lease). As with the prior change, HUD believes this amendment better reflects the statutory requirements of Section 214. In addition, it will better assure that the person who is legally obligated under the lease or other tenancy agreement has been through a uniform identity verification process that would better facilitate locating such person and bringing any necessary administrative or legal actions.

Under the current regulations, the “do not contend” provision facilitates the indefinite use by a mixed family of prorated assistance. Further, it is possible under the current regulations for the holder of the lease to be

ineligible under the Section 214 covered program for which the mixed family is receiving assistance. Upon reconsideration of its implementing regulations for Section 214, HUD believes that Section 214 requires that no financial assistance be provided to, or on behalf of, an individual if his or her eligible status has not been verified, except for such time that it takes to verify eligible status. In this respect, Section 214 generally provides that “with respect to a family, the term “eligibility” means the eligibility of each family member.” HUD believes that an individual without verified eligible status living in a mixed household receiving long-term prorated assistance is benefiting from HUD financial assistance in a way that is prohibited by Section 214. At the time of enactment of Section 214, verification was a manual, paper-driven process that could take days or even weeks to complete. Prorated assistance struck a balance with timely permitting assistance but providing an incentive to cooperate in timely completion. Today, verification through SAVE is almost instantaneous in most instances. Thus, prorated assistance should rarely be applicable and then of short duration. The “do not contend” provision is inconsistent with the statutory requirements insofar as it permits prorated assistance of unlimited duration.

Further, HUD no longer agrees that a leaseholder, the individual who is contractually bound to the landlord and who holds conditional ownership of the unit for the lease term, can be exempted from having verified eligible immigration status at the outset of the tenancy and assistance. HUD believes that requiring the verified eligible immigration status of the head of household or spouse is more in keeping with the intent of Section 214 to limit eligibility to individuals with eligible immigration status, subject to limited exceptions, and consistent with HUD’s existing treatment of leaseholders in its assisted housing programs.

3. Technical nonsubstantive changes. In addition to the two substantive amendments discussed above, HUD has taken the opportunity afforded by the proposed rule to make a few technical, nonsubstantive changes to the regulations to further conform to Section 214 statutory requirements. These amendments update terminology and correct formatting. For example, the proposed rule would replace outdated references to the Immigration and Naturalization Service (INS) to refer to DHS.

IV. Findings and Certifications

Regulatory Review—Executive Orders 12866 and 13563

Under Executive Order 12866 (Regulatory Planning and Review), a determination must be made whether a regulatory action is significant and, therefore, subject to review by the Office of Management and Budget (OMB) in accordance with the requirements of the order. Executive Order 13563 (Improving Regulations and Regulatory Review) directs executive agencies to analyze regulations that are “outmoded, ineffective, insufficient, or excessively burdensome, and to modify, streamline, expand, or repeal them in accordance with what has been learned.” Executive Order 13563 also directs that, where relevant, feasible, and consistent with regulatory objectives, and to the extent permitted by law, agencies are to identify and consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public.

This rule was determined to be a “significant regulatory action” as defined in section 3(f) of the order (although not an economically significant regulatory action under the order). HUD has prepared a cost benefit analysis that addresses the costs and benefits of the proposed rule. The cost analysis is part of the docket file for this rule.

The docket file is available for public inspection in the Regulations Division, Office of the General Counsel, Room 10276, 451 7th Street SW, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, please schedule an appointment to review the docket file by calling the Regulations Division at (202) 402–3055 (this is not a toll-free number). Individuals with speech or hearing impairments may access this number via TTY by calling the Federal Relay at 1(800) 877–8339 (this is a toll-free number).

Environmental Impact

The proposed rule does not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern or regulate, real property acquisition, disposition, leasing, rehabilitation, alteration, demolition, or new construction or establish, revise or provide for standards for construction or construction materials, manufactured housing, or occupancy. Accordingly, under 24 CFR 50.19(c)(1), this proposed rule is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The proposed regulatory amendments to HUD's noncitizen requirements will have only a minimal impact on small housing project owners, small mortgagees, and small housing agencies. The amendments would not require the creation of new procedures or impose significant additional costs on responsible entities. Rather, the requirements of the proposed rule could be satisfied using existing procedures. For example, the proposed rule would require that the eligible immigration status of all noncitizens be verified through SAVE. This requirement can be fulfilled by utilizing the existing verification procedures. Likewise, although the proposed rule would revise eligibility for prorated assistance, current methods would be used to calculate the prorated assistance provided to an eligible family.

Notwithstanding HUD's determination that this rule will not have a significant effect on a substantial number of small entities, HUD specifically invites comments regarding any less burdensome alternatives to this rule that will meet HUD's objectives as described in this preamble.

Executive Order 13132, Federalism

Executive Order 13132 (entitled "Federalism") prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial direct compliance costs on State and local governments, and is not required by statute, or preempts State law, unless the agency meets the consultation and funding requirements of section 6 of the Executive order. This proposed rule does not have federalism implications and does not impose substantial direct compliance costs on State and local governments nor preempt state law within the meaning of the Executive order.

Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) (UMRA) establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and on the private sector. This proposed rule does not impose a Federal mandate on any State,

local, or tribal government, or on the private sector, within the meaning of UMRA.

List of Subjects in 24 CFR Part 5

Administrative practice and procedure, Aged, Claims, Crime, Government contracts, Grant programs—housing and community development, Individuals with disabilities, Intergovernmental relations, Loan programs—housing and community development, Low and moderate income housing, Mortgage insurance, Penalties, Pets, Public housing, Rent subsidies, Reporting and recordkeeping requirements, Social security, Unemployment compensation, Wages.

Accordingly, for the reasons stated in the preamble, HUD proposes to amend 24 CFR part 5, subpart E as follows:

PART 5—GENERAL HUD PROGRAM REQUIREMENTS; WAIVERS

■ 1. The authority citation for 24 CFR part 5 continues to read as follows:

Authority: 12 U.S.C. 1701x; 42 U.S.C. 1437a, 1437c, 1437d, 1437f, 1437n, 3535(d); Sec. 327, Pub. L. 109–115, 119 Stat. 2936; Sec. 607, Pub. L. 109–162, 119 Stat. 3051 (42 U.S.C. 14043e *et seq.*); E.O. 13279, 67 FR 77141, 3 CFR, 2002 Comp., p. 258; and E.O. 13559, 75 FR 71319, 3 CFR, 2010 Comp., p. 273.

Subpart E—Restrictions on Assistance to Noncitizens

■ 2. The authority citation for subpart E continues to read as follows:

Authority: 42 U.S.C. 1436a and 3535(d).

■ 3. Amend paragraph (b) of § 5.504 by adding the definition of "DHS" in alphabetical order and removing the definitions of "INS" and "Mixed family" to read as follows:

§ 5.504 Definitions.

* * * * *

(b) * * *

DHS means the Department of Homeland Security.

* * * * *

■ 4. Revise § 5.506(b) to read as follows:

§ 5.506 General provisions.

* * * * *

(b) *Family eligibility for assistance.* (1) A family shall not be eligible for assistance unless every member of the family residing in the unit is determined to have eligible status, as described in paragraph (a) of this section, or unless the family meets the conditions set forth in either paragraph (b)(2) or (3) of this section.

(2) Despite the ineligibility of one or more family members, a family that was

receiving assistance under a Section 214 covered program on June 19, 1995, may be eligible for continued assistance, as provided in §§ 5.516 and 5.518. If the family does not qualify for continued assistance, it may nonetheless be eligible for temporary deferral of termination of assistance as provided in §§ 5.516 and 5.518.

(3) A family whose head of household or spouse has eligible immigration status is eligible for prorated assistance under § 5.520, pending final determinations on the eligibility of other family members.

* * * * *

■ 5. Revise § 5.508 to read as follows:

§ 5.508 Submission of evidence of citizenship or eligible immigration status.

(a) *General.* Eligibility for assistance or continued assistance under a Section 214 covered program is contingent upon a family's submission, to the responsible entity, of the documents described in paragraphs (b), (c), and (d) of this section, as applicable, for each family member.

(b) *Evidence of citizenship or eligible immigration status.* Each family member, regardless of age, must submit the following evidence to the responsible entity.

(1) For U.S. citizens as defined in § 5.504(b), the evidence consists of appropriate documentation, such as:

- (i) A U.S. birth certificate;
- (ii) A naturalization certificate;
- (iii) A Consular Report of Birth

Abroad (FS–240);

- (iv) A valid unexpired U.S. passport;

- (v) A certificate of citizenship; or

(vi) Other appropriate documentation, as specified in HUD guidance.

(2) For noncitizens who are 62 years of age or older and were receiving assistance under a Section 214 covered program on September 30, 1996, or who will be 62 years of age or older or applying for assistance on or after that date, the evidence consists of a proof of age document, as may be specified by HUD, and one of the following:

- (i) A Form I–551, Permanent Resident Card;

- (ii) Form I–94, Arrival/Departure Record;

- (iii) A foreign passport with I–551 stamp;

- (iv) A notice of approval of status or action from DHS; or

(v) Other appropriate documentation specified by HUD.

(3) For all other noncitizens, the evidence consists of:

- (i) A signed declaration of eligible immigration status (see paragraph (c) of this section);

- (ii) One of the DHS documents referred to in § 5.510; and

(iii) A signed verification consent form (see paragraph (d) of this section).

(c) *Declaration.* (1) Each family member, regardless of age, must submit to the responsible entity a written declaration, signed under penalty of perjury, by which the family member declares he or she is a U.S. citizen as defined in § 5.504(b) or a noncitizen with eligible immigration status set forth in § 5.506(a)(2).

(i) For each adult, the declaration must be signed by the adult.

(ii) For each child, as defined in § 5.504(b), the declaration must be signed by an adult residing in the assisted dwelling unit who is responsible for the child.

(2) The written declaration may be incorporated as part of the application for housing assistance or may constitute a separate document.

(d) *Verification consent form*—(1) *Who signs.* Each family member, regardless of age, (except certain noncitizens who are 62 years of age or older as described in paragraph (b)(2) of this section) must sign a verification consent form as follows:

(i) For each adult, the form must be signed by the adult.

(ii) For each child, the form must be signed by an adult residing in the assisted dwelling unit who is responsible for the child.

(2) *Notice of release of evidence by responsible entity.* The verification consent form shall provide that evidence of eligible immigration status may be released by the responsible entity, without responsibility for the further use or transmission of the evidence by the entity receiving it, to:

(i) HUD, as required by HUD; and

(ii) DHS to verify the immigration status of the individual.

(3) *Notice of release of evidence by HUD.* The verification consent form shall also notify the individual of the possible release of evidence of eligible immigration status by HUD. Evidence of eligible immigration status shall only be released to DHS for purposes of verifying the individual has eligible immigration status for financial assistance and not for any other purpose. HUD is not responsible for the further use or transmission of the evidence or other information by DHS.

(e) *Notification of requirements of Section 214*—(1) *When notice is to be issued.* Notification of the requirement to submit evidence that the individual is a U.S. citizen, as defined in § 5.504(b), or that individual has eligible immigration status, as required by this section, shall be given by the responsible entity as follows:

(i) *Applicant's notice.* The notification shall be given to each applicant at the time of application for assistance.

(ii) *Notice to tenants.* The notification shall be given to each tenant who has not submitted evidence of eligible status as of [insert effective date of final rule] at the time of, and together with, the responsible entity's notice of regular reexamination of income.

(iii) *Timing of mortgagor's notice.* A mortgagor receiving Section 235 assistance must be provided the notification and any additional requirements imposed under the Section 235 Program.

(2) *Form and content of notice.* The notice shall:

(i) State that financial assistance is contingent upon the submission and verification, as appropriate, of evidence that the individual is a U.S. citizen, as defined in § 5.504(b), or has eligible immigration status;

(ii) Describe the type of evidence that must be submitted, and state the time period in which that evidence must be submitted (see paragraph (f) of this section concerning when evidence must be submitted);

(iii) State that assistance will be denied or terminated, as appropriate, upon a final determination of ineligibility after all appeals, if any, have been exhausted or, if appeals are not pursued, at a time to be specified in accordance with HUD requirements;

(iv) State that assistance may be prorated, pursuant to § 5.520, to a family whose head of household or spouse has eligible immigration status, pending final determinations for other family members; and

(v) Inform tenant's how to obtain assistance under the preservation of families provisions of §§ 5.516 and 5.518.

(f) *When evidence of eligible status is required to be submitted.* The responsible entity shall require evidence of eligible status to be submitted at the times specified in this paragraph (f), subject to any extension granted in accordance with paragraph (g) of this section.

(1) *Applicants.* For applicants, responsible entities must ensure that evidence of eligible status is submitted not later than the date the responsible entity anticipates or has knowledge that verification of other aspects of eligibility for assistance will occur (see § 5.512(a)).

(2) *Tenants.* A tenant who has not submitted evidence of eligible status as of [insert effective date of final rule] is required to submit such evidence as follows:

(i) For financial assistance under a Section 214 covered program, with the

exception of Section 235 assistance payments, the required evidence shall be submitted at the first regular reexamination after [insert effective date of final rule], in accordance with program requirements.

(ii) For financial assistance in the form of Section 235 assistance payments, the mortgagor shall submit the required evidence in accordance with requirements imposed under the Section 235 Program.

(3) *New occupants of assisted units.* For any new occupant of an assisted unit (e.g., a new family member comes to reside in the assisted unit), the required evidence shall be submitted at the first interim or regular reexamination following the person's occupancy.

(4) *Changing participation in a HUD program.* Whenever a family applies for admission to a Section 214 covered program, evidence of eligible status is required to be submitted in accordance with the requirements of this subpart unless the family already has submitted the evidence to the responsible entity for a Section 214 covered program.

(5) *One-time evidence requirement for continuous occupancy.* For each family member, the family is required to submit evidence of eligible status only one time during continuously assisted occupancy under any Section 214 covered program.

(g) *Extensions of time to submit evidence of eligible status*—(1) *When extension must be granted.* The responsible entity shall extend the time, provided in paragraph (f) of this section, to submit evidence of eligible immigration status if the family member:

(i) Submits the required declaration described in paragraph (c) of this section certifying that any person for whom required evidence has not been submitted is a noncitizen with eligible immigration status; and

(ii) Certifies that the evidence needed to support a claim of eligible immigration status is temporarily unavailable, additional time is needed to obtain and submit the evidence, and prompt and diligent efforts will be undertaken to obtain the evidence.

(2) *Thirty-day extension period.* Any extension of time, if granted, shall not exceed 30 days. The additional time provided should be sufficient to allow the individual the time to obtain the evidence needed. The responsible entity's determination of the length of the extension needed shall be based on the circumstances of the individual case.

(3) *Grant or denial of extension to be in writing.* The responsible entity's

decision to grant or deny an extension shall be issued to the family by written notice. If the extension is granted, the notice shall specify the extension period granted (which shall not exceed 30 days). If the extension is denied, the notice shall explain the reasons for denial of the extension.

(h) *Failure to submit evidence or to establish eligible status.* If the family fails to submit required evidence of eligible status within the time period specified in the notice, or any extension granted in accordance with paragraph (g) of this section, or if the evidence is timely submitted but fails to establish eligible immigration status, the responsible entity shall proceed to deny, or terminate, assistance or provide continued assistance or temporary deferral of termination of assistance, as appropriate, in accordance with the provisions of §§ 5.514, 5.516, and 5.518.

§ 5.510 [Amended]

- 6. In § 5.510(b), remove the reference to “INS” and add in its place “DHS”.
- 7. Revise § 5.512 to read as follows:

§ 5.512 Verification of eligible immigration status.

(a) *General.* Except as described in § 5.514, no individual or family applying for assistance may receive such assistance prior to the verification of the eligibility of at least the head of household or spouse. Verification of eligibility consistent with § 5.514 occurs when the individual or family members have submitted documentation to the responsible entity in accordance with § 5.508.

(b) *Initial verification—(1) Verification system.* Verification of the immigration status of the person is conducted by the responsible entity through Systematic Alien Verification for Entitlements (SAVE), a DHS-administered system for the verification of immigration status. Initial verification in SAVE confirms immigration status using biographic information (first name, last name, and date of birth) and immigration numeric identifiers.

(2) *Failure of initial verification to confirm eligible immigration status.* If SAVE is not initially able to confirm immigration status, then additional verification must be performed.

(c) *Additional verification.* If the initial verification does not confirm eligible immigration status, or if initial verification confirms immigration status that is ineligible for assistance under a Section 214 covered program, the responsible entity must request additional verification within 10 days of receiving the results of the initial verification. Additional verification is

initiated when the responsible entity submits an additional request to SAVE with optional additional information and/or a copy of the original document that the noncitizen had presented as acceptable evidence of their immigration status to SAVE.

(d) *Failure to confirm eligible immigration status.* If initial or additional verification does not confirm eligible immigration status, the responsible entity shall issue to the family the notice described in § 5.514(d), which describes the process for seeking record correction with DHS if he or she believes the verification response was due to inaccurate DHS records.

(e) *Exemption from liability for DHS verification.* The responsible entity shall not be liable for any action, delay, or failure of DHS in conducting initial or additional verification.

■ 8. Amend § 5.514 as follows:

- a. Revise paragraphs (b)(1), (c), and (d); and
- b. In paragraphs (e), (f), and (h), remove the reference to “INS” everywhere it appears and add in its place “DHS”.

The revisions read as follows:

§ 5.514 Delay, denial, reduction or termination of assistance.

* * * * *

(b) *Restrictions on delay, denial, reduction or termination of assistance—*

(1) *Restrictions on reduction, denial or termination of assistance for applicants and tenants.* Assistance to an applicant or tenant shall not be delayed, denied, reduced, or terminated, on the basis of ineligible immigration status of a family member, if:

(i) The SAVE verification of any immigration documents that were timely submitted has not been completed;

(ii) The family member for whom required evidence has not been submitted has moved from the assisted dwelling unit;

(iii) The family member who is determined not to be in an eligible immigration status following the SAVE verification has moved from the assisted dwelling unit;

(iv) Assistance is continued in accordance with §§ 5.516 and 5.518; or

(v) Deferral of termination of assistance is granted in accordance with §§ 5.516 and 5.518.

* * * * *

(c) *Events causing denial or termination of assistance—(1) General.*

Assistance to an applicant shall be denied, and a tenant's assistance shall be terminated, in accordance with the procedures of this section, upon the

occurrence of any of the following events:

(i) Evidence that the individual is a U.S. citizen as defined in § 5.504(b) (*i.e.*, the declaration), or has eligible immigration status, is not submitted by the date specified in § 5.508(f) or by the expiration of any extension granted in accordance with § 5.508(g); or

(ii) Evidence that the individual is a U.S. citizen as defined in § 5.504(b), or has eligible immigration status, is timely submitted, but the SAVE verification does not verify eligible immigration status of a family member.

(2) *Termination of assisted occupancy.* For termination of assisted occupancy, see paragraph (i) of this section.

(d) *Notice of denial or termination of assistance.* The notice of denial or termination of assistance shall advise the family:

(1) That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance;

(2) In the case of a tenant, the criteria and procedures for obtaining relief under the provisions for preservation of families in §§ 5.516 and 5.518; and

(3) That any family member may seek a record correction with DHS if they believe that SAVE was unable to verify their status due to incorrect immigration records.

* * * * *

■ 9. Revise § 5.516 to read as follows:

§ 5.516 Availability of preservation assistance to tenant families.

(a) *Assistance available for tenant families—(1) General.* Preservation assistance may be available to tenant families, in accordance with this section and following the conclusion of a records correction request. There are two types of preservation assistance:

(i) Continued assistance (see § 5.518(a)); and

(ii) Temporary deferral of termination of assistance (see § 5.518(a)).

(2) *Availability of assistance—(i) For Housing covered programs.* One of the two types of assistance described in paragraph (a)(1) of this section may be available to tenant families assisted under a National Housing Act or 1965 HUD Act covered program, depending upon the family's eligibility for such assistance. Continued assistance must be provided to a tenant family that meets the conditions for eligibility for continued assistance.

(ii) *For Section 8 or Public Housing covered programs.* One of the two types of assistance described in paragraph (a)(1) of this section may be available to

tenant families assisted under a Section 8 or Public Housing covered program.

(b) *Assistance available to other families in occupancy.* Temporary deferral of termination of assistance may be available to families receiving assistance under a Section 214 covered program on June 19, 1995, and who have no members with eligible immigration status, as set forth in paragraphs (b)(1) and (2) of this section.

(1) *For Housing covered programs.* Temporary deferral of termination of assistance is available to families assisted under a Housing covered program.

(2) *For Section 8 or Public Housing covered programs.* The responsible entity may make temporary deferral of termination of assistance to families assisted under a Section 8 or Public Housing covered program.

(c) *Section 8 covered programs: Discretion afforded to provide certain family preservation assistance—(1) Project owners.* With respect to assistance under a Section 8 Act covered program administered by a project owner, HUD has the discretion to determine under what circumstances families are to be provided one of the two statutory forms of assistance for preservation of the family (continued assistance or temporary deferral of assistance). HUD is exercising its discretion by specifying the standards in this section under which a project owner must provide one of these two types of assistance to a family.

(2) *PHAs.* The PHA, rather than HUD, has the discretion to determine the circumstances under which a family will be offered one of the two statutory forms of assistance (continued assistance or temporary deferral of termination of assistance). The PHA must establish its own policy and criteria to follow in making its decision. In establishing the criteria for granting continued assistance or temporary deferral of termination of assistance, the PHA must incorporate the statutory criteria, which are set forth in § 5.518(a) and (b).

■ 10. Amend § 5.518 as follows:

■ a. Revise the section heading and paragraphs (a), (b)(1), (b)(2) introductory text, and (b)(3); and

■ b. Remove paragraph (c) and redesignate paragraph (d) as new paragraph (c).

The revisions read as follows:

§ 5.518 Types of preservation assistance available to tenant families.

(a) *Continued assistance.* A tenant family may receive continued housing assistance if all the following conditions are met (a tenant family assisted under

a Housing covered program must be provided continued assistance if the family meets the following conditions):

(1) The family was receiving assistance under a Section 214 covered program on June 19, 1995;

(2) The family's head of household or spouse has eligible immigration status as described in § 5.506; and

(3) The family does not include any person who does not have eligible immigration status other than the head of household, any spouse of the head of household, any parents of the head of household, any parents of the spouse, or any children of the head of household or spouse.

(b) *Temporary deferral of termination of assistance—(1) Eligibility for this type of assistance.* If a tenant family does not qualify for continued assistance, the family may be eligible for temporary deferral of termination of assistance, if necessary, to permit the family additional time for the orderly transition of those family members with ineligible status, and any other family members involved, to other affordable housing. Other affordable housing is used in the context of transition of an ineligible family from a rent level that reflects HUD assistance to a rent level that is unassisted; the term refers to housing that is not substandard, that is of appropriate size for the family, and that can be rented for an amount not exceeding the amount that the family pays for rent, including utilities, plus 25 percent.

(2) *Housing covered programs: Conditions for granting temporary deferral of termination of assistance.* The responsible entity shall grant a temporary deferral of termination of assistance to a family if the family is assisted under a Housing covered program and one of the following conditions is met:

* * * * *

(3) *Time limit on deferral period.* If temporary deferral of termination of assistance is granted, the deferral period shall be for an initial period not to exceed six months. The initial period may be renewed for additional periods of six months, but the aggregate deferral period for deferrals shall not exceed a period of eighteen months. These time periods do not apply to a family that includes an individual admitted as a refugee under section 207 of the Immigration and Nationality Act or an individual granted asylum under section 208 of that Act.

* * * * *

■ 11. Revise § 5.520(a) to read as follows:

§ 5.520 Proration of assistance.

(a) *Applicability.* This section applies to a family whose head of household or spouse has eligible immigration status, pending final determinations for other family members.

* * * * *

■ 12. Revise § 5.522 to read as follows:

§ 5.522 Prohibition of assistance to noncitizen students.

The provisions of §§ 5.516 and 5.518 permitting continued assistance or temporary deferral of termination of assistance for certain families do not apply to any person who is determined to be a noncitizen student as in section 214(c)(2)(A) (42 U.S.C. 1436a(c)(2)(A)).

Dated: May 3, 2019.

Benjamin S. Carson, Sr.,
Secretary.

[FR Doc. 2019-09566 Filed 5-9-19; 8:45 am]

BILLING CODE 4210-67-P

DEPARTMENT OF INTERIOR

Office of Surface Mining Reclamation and Enforcement

30 CFR Part 917

[KY-260-FOR; Docket ID: OSM-2018-0008, S1D1S SS08011000 SX064A000 190S180110, S2D2S SS08011000 SX064A000 19XS01520]

Kentucky Regulatory Program

AGENCY: Office of Surface Mining Reclamation and Enforcement (OSMRE), Interior.

ACTION: Proposed rule; public comment period and opportunity for public hearing on proposed amendment.

SUMMARY: We, the Office of Surface Mining Reclamation and Enforcement (OSMRE), are announcing receipt of a proposed amendment to the Kentucky regulatory program, (herein referred to as 'the Kentucky program'), under the Surface Mining Control and Reclamation Act of 1977 (SMCRA or the Act). Through this proposed amendment, Kentucky seeks to revise its program to include statutory changes that involve civil penalty escrow accounts, civil penalty fund distributions, self-bonding, and major permit revisions related to underground mining.

This document gives the times and locations that the Kentucky program and this proposed amendment to that program are available for your inspection, the comment period during which you may submit written comments on the amendment, and the

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TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince 
CEO/Executive Director

DATE: May 24, 2019

BOARD MEETING: May 28, 2019

AGENDA ITEM: 7d

AUTHOR: Emily De La Guerra

SUBJECT: 2018 Financial Results for Mixed Finance Properties

Executive Summary

The purpose of this memo is to provide the Boards of Commissioners with an overview of the performance of the Mixed Finance portfolio.

As part of the real estate development process, staff routinely asks the Boards of Commissioners to sponsor the development or rehabilitation of multi-family housing properties. Over the past ten years, the Boards have approved 25 developments throughout Fresno County that were included in the 2018 Budget. This group of properties are referred to as the “Mixed Finance Properties” because several (“mixed”) financing sources are used to acquire and construct the units.

As part of the “sponsorship” process, the Boards are first asked to approve the formation and creation of a limited partnership that will “own” the affordable housing development, and Silvercrest, Inc. (a subsidiary of the Housing Authority) is generally named as the managing general partner (MGP) of the partnership.

One responsibility of the managing general partner is to review and approve the annual operating budgets and financial performance for the partnerships. However, because the Fresno Housing Authority was the original sponsor of these projects and has a vested interest in the success of the properties, staff will be presenting the 2018 annual financial performance to the Housing Authorities’ Boards of Commissioners, and then later requesting that Silvercrest, Inc. approve the financial results as the managing general partner.

Mixed Finance Results

In 2018, the mixed finance properties operated better than budgeted, earning 3% higher total income while operating costs remained in line with the budget.

Overall, revenues were \$440 thousand better than budgeted, of which, \$359 thousand is attributable to additional Net Tenant Income. This additional income is a result of lower than budgeted vacancy rates at most of the properties.

Total operating expenses are slightly lower than budgeted by approximately \$49 thousand. Overall, the properties spent an additional \$106 thousand dollars on maintenance due to the intentional decision to continue to use our own Agency staff for specific maintenance items, instead of using outside vendors. While this decision has led to an increase in costs, it has also allowed the Agency to respond to maintenance issues faster, and turn units quicker which shortens vacancy times and increases revenues. Staff continues to monitor these expenses, as well as other maintenance costs, in order to ensure the properties can absorb these increases without sacrificing in other areas. Other variances include payroll costs, which were down approximately 4% due to staffing changes and vacancies throughout the year. Utility expenses were down about 5% due to reduced electricity costs at various sites, including the Renaissance properties, City View @ Van Ness and Southeast Fresno RAD.

Overall, net operating income was approximately \$488 thousand over the original budget. This increase means that additional funds were available for cash distribution. Overall, non-operating expenses were \$197 thousand over budget, because those additional funds were sent through the waterfall. Staff will be presenting more information on final cash flow distributions at the Boards of Commissioners meeting.

	2018 Budget	2018 Results	\$ Variance	% Variance
MIXED FINANCE				
Total Income	13,642,804	14,082,504	439,700	3%
Total Expenses	10,289,963	10,241,392	(48,571)	0%
Net Operating Income	3,352,841	3,841,112	488,271	15%
Total Non-Operating Expenses	1,608,580	1,805,345	196,765	12%
Net Cash Flow	1,744,261	2,035,767	291,506	17%

Recommendation

This item is information only. No action is required. However, the Board of Directors for Silvercrest, Inc. will be asked to approve the 2018 Mixed Finance Results.



Mixed Finance Properties – 2018 Financial Results

*Fresno Housing Authority
Boards of Commissioners Meeting
May 28, 2019*

'Mixed Finance' Properties

What are they?

- Properties owned by a limited partnership.
- Originally sponsored and developed by the Housing Authority.
- Mixed finance means that several funding sources were used to develop the properties (examples: Tax Credits, HRFC, private mortgage, HOME funds, etc...).

Why are we involved?

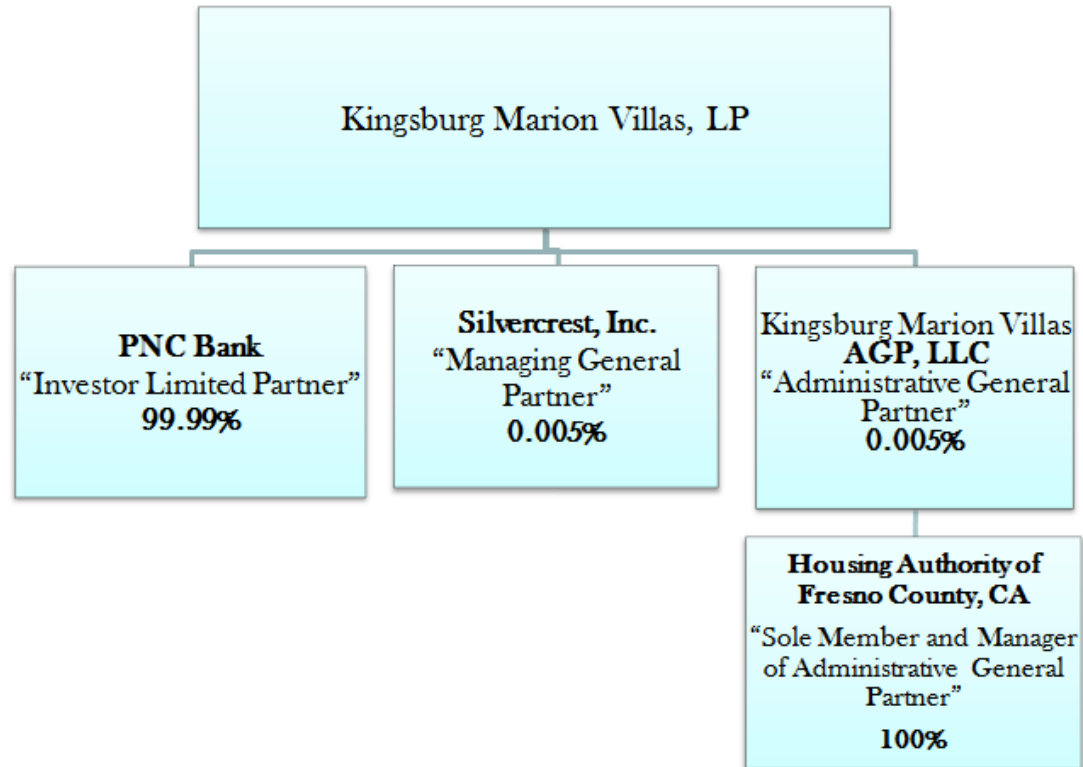
- Silvercrest, Inc. (an instrumentality of the HA) is the Managing General Partner of the limited partnerships, and is responsible for on-going operations of the partnership.
- The Agency and its subsidiaries (Silvercrest, HRFC) have a vested interest in the properties.
- Properties fulfill Agency's mission to create affordable housing.

Summary of Mixed Finance Properties

- Twenty-five (25) properties were included in the 2018 Budgets (approx. 1,700 units)

- Villa Del Mar (2002)
- Elderberry (2004)
- Yosemite Village (2008)
- Parc Grove Commons II (2010)
- Granada Commons (2010)
- Pacific Gardens (2011)
- Renaissance at Trinity (2011)
- Renaissance at Santa Clara (2011)
- Renaissance at Alta Monte (2011)
- Bridges at Florence (2012)
- Parc Grove Commons NW (2012)
- SE Fresno RAD (2013)
- Mendota RAD (2013)
- Orange Cove RAD (2013)
- Kings River Commons (2014)
- City View @ Van Ness (2014)
- Viking Village RAD (2014)
- Marion Villas (2015)
- Fultonia/Cedar Heights (2016)
- Paseo 55 (2017)
- Legacy Commons I (2017)
- Rio Villas (2017)
- Cueva De Oso (2017)
- Fenix @ Calaveras (2017)
- Blossom Trail (2018)

Sample Ownership Structure – Marion Villas



2018 Budget Goals

- The major goals of the 2018 budgets were to:
 - Achieve positive net operating income on all properties
 - Leverage the well-performing assets in order to provide maximum benefits to lenders, partners, and stakeholders
 - Meet stabilization requirements for newer properties (2016-2018 deals)
 - Maintain and modernize properties, as needed
 - Provide ample resident services

Budgeting for Property Success

	2017 Results	2018 Budget	2018 Results
High Performers (NOI > \$500/Unit)	20	21	24
Standard Performers (NOI \$50-\$500/Unit)	3	3	1
Low Performers (NOI < \$50/Unit)	0	1	0
Total	23	25	25

- Each property is managed as a separate and independent financial entity.
- At the very least, each property should break even each year (Net Operating Income or NOI should be > 0).
 - NOI vs Cash Flow

2018 Results – NOI Per Unit

Property Name	# of Units	NOI Per Unit
Rio Villas	30	3,733
Parc Grove Northwest	148	3,674
Parc Grove Commons II	215	3,478
Granada Commons	16	3,036
Marion Villas	46	2,858
Viking Village	40	2,842
Cueva de Oso	47	2,655
Paseo 55	55	2,609
Elderberry	75	2,521
Blossom Trail	48	2,455
City View @ Van Ness	45	2,337
Mendota RAD	124	2,296
Trinity	20	2,007

Property Name	# of Units	NOI Per Unit
Fenix @ Calaveras	30	1,926
Orange Cove RAD	90	1,761
Southeast Fresno RAD	193	1,730
Kings River Commons	60	1,681
Bridges at Florence	34	1,553
Legacy Commons I	64	1,418
Fulton/Cedar Heights	45	1,402
Yosemite Village	68	1,299
Santa Clara	70	1,147
Pacific Gardens	56	976
Villa Del Mar	48	911
Alta Monte	30	466
Total Mixed Finance	1,697	2,263

- Green = “High Performer”
- Yellow = “Standard Performer”

2018 Financial Results

	2018 Budget	2018 Results	\$ Variance	% Variance
MIXED FINANCE BUDGET				
Total Income	13,642,804	14,082,504	439,700	3%
Total Expenses	10,289,963	10,241,392	(48,571)	0%
Net Operating Income	3,352,841	3,841,112	488,271	15%
Total Non-Operating Expenses	1,608,580	1,805,345	196,765	12%
Net Cash Flow	1,744,261	2,035,767	291,506	17%

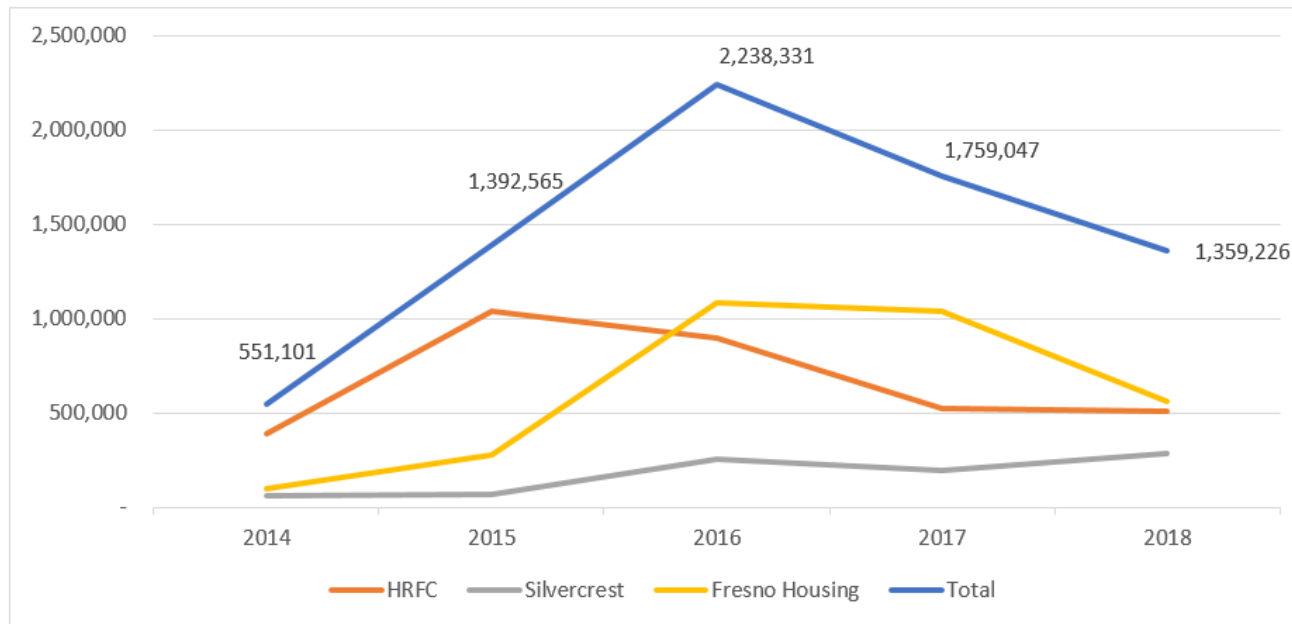
- Overall, 2018 operating net income was better than projected.
- Net cash flow is higher than budgeted.

2018 Cash Flow Distributions

Entity	Amount	Type of Payment
HRFC	508,933	Loan Payments
Silvercrest, Inc.	288,211	Management Fees
Fresno Housing	562,082	Developer Fee, Loan Payments
Total	1,359,226	

- A total of \$1.36 million was distributed to the Agency and its affiliated entities from various properties as part of the annual cash flow distributions.

Cash Distributions 2014-2018



- Annual cash distributions have more than doubled from 2014 totals
- The 2019 mixed finance budget includes up to \$1.3 million in cash distributions .

This items is informational for Fresno Housing Authority
Boards of Commissioners.

As the Managing General Partner, Silvercrest, Inc,. will be
asked to accept the 2018 Mixed Finance Results.

Questions or Comments?

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TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince



CEO/Executive Director

DATE: May 24, 2019

BOARD MEETING: May 28, 2019

AGENDA ITEM: 7e

AUTHOR: Christina Husbands

SUBJECT: Real Estate Development Update

Executive Summary

Staff will present an overview of current real estate activities.

Recommendation

None at this time. Informational only.

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TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince

CEO/Executive Director



DATE: May 22, 2019

BOARD MEETING: May 28, 2019

AGENDA ITEM: 8a

AUTHOR: Scott Berry

SUBJECT: Parlier Orchard Apartments – Pre Development Loan Increase and Extension

Executive Summary

In July of 2018, the Fresno Housing Authority (“Agency”) was successful in securing a reservation for 2nd Round Low-Income Housing Tax Credits (“LIHTC”) from the California Tax Credit Allocation Committee (“CTCAC”) to fund the rehabilitation of the Parlier Orchard Apartments multifamily development. The LIHTC financing enables the property to be repositioned and preserve the affordability. Parlier Orchard Apartments is an existing 40 unit farmworker, multifamily low-income property on approximately 3.29 acres in Parlier, CA. The property was initially developed by Fresno Housing Authority (FH) with financial assistance from the United States Department of Agriculture (USDA). USDA provided a loan and rental assistance that is nearing the end of the commitment term and staff is working with USDA to secure new financing commitments and preserve the affordability of the property. Concurrently, staff is proposing to complete substantial rehabilitation of the existing 40 unit complex and build a new 1,956 SF (approx.) community building along with a new apartment unit to be designated for the onsite management staff.

As part of the next steps in the pre-development process, financing is necessary for costs that have been, or will be incurred prior to a full financial closing. Pre-development expenses include a variety of costs related to the Parlier Orchard Apartments development, such as the cost of environmental reports, appraisals, architectural fees, TCAC application fees, etc. Although we have financing commitments for permanent and construction financing, funds are not made available until all diligence is complete and the close of financing occurs (anticipated to occur in late May-early June of 2019). At the financial closing, the FH pre-development expenses will be fully paid.

In October 2018, HRFC made such a loan to the Agency in the amount of \$500,000. However, due to the unexpected Federal government shutdown, and thus an extended predevelopment period, the Agency has exhausted the original \$500,000 and requires an additional \$1,000,000 to satisfy increased development costs incurred.

At this time, it is requested that the Board of Commissioners approve an increase in the interim pre-development loan of up to \$1,000,000, for a total of \$1,500,000 from the Housing Relinquished Fund Corporation to account for additional predevelopment costs incurred due to an extended closing deadline. 100% of the predevelopment loan and interest earned will be repaid at the time of closing.

Recommendation

It is recommended that Boards of Commissioners of the Fresno Housing Authority adopt the attached resolution authorizing a pre-development loan commitment of up to \$1,500,000 from the Housing Relinquished Fund Corporation for expenses incurred in the pre-development phase of the Parlier Orchard Apartments project and authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee, to negotiate and execute documents in connection with the approved actions

Fiscal Impact

Staff is requesting an increase in pre-development loan commitment of up to \$1,500,000 from the Housing Relinquished Fund Corporation sufficient to cover pre-development expenses associated with the rehabilitation and redevelopment of the Parlier Orchard Apartments. Loan funds disbursed will be repaid at financial closing from construction sources. The pre-development loan will carry 5% interest.

Background Information

Parlier Orchard Apartments is an existing farm worker, multi-family residential development consisting of 40 affordable housing units on 3.29 acres at 295 S. Newmark Ave in Parlier, California. The Fresno Housing Authority proposes to fully rehabilitate the existing 40 units and construct a new building to include a manager's unit and community space. The development would include a mix of two-to-four bedroom units and would have affordability levels ranging from 30% to 80%. Parlier Orchard Apartments' location presents opportunities for easy access to community amenities such as public parks, schools, medical care, and grocery shopping. All of the units will be built to include amenities that are comparable to high quality units in the community. Unit amenities will include Energy Star appliances, dishwashers, and central heating and cooling. On-site parking and unit amenities will bring new life to the complex and tenant population.

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO

**RESOLUTION TO APPROVE A PRE-DEVELOPMENT LOAN COMMITMENT OF UP TO
\$1,500,000 FROM THE HOUSING RELINQUISHED FUND CORPORATION
FOR PRE DEVELOPMENT EXPENSES RELATED TO THE PARLIER ORCHARD
APARTMENTS PROJECT**

WHEREAS, the Housing Authority of the City of Fresno (HACF), California seeks to expand the availability of affordable rental housing and homeownership opportunities to low income persons within the City of Fresno; and

WHEREAS, a Limited Partnership, Parlier Orchard Apartments, LP (LP) has been created for the purposes of developing and owning the Parlier Orchard Apartments complex; and

WHEREAS, HACF will be the administrative general partner and Silvercrest, Inc. will be the managing general partner of said LP; and

WHEREAS, HACF received a pre-development loan commitment of up to \$500,000 at the October 23, 2018 Board meeting from the Housing Relinquished Fund Corporation for pre-development expenses related to the Parlier Orchard Apartments project; and

WHEREAS, HACF is requesting to increase their loan by an additional \$1,000,000, for a total not to exceed amount of \$1,500,000, to cover additional predevelopment costs incurred due to an extended closing deadline; and

WHEREAS, the pre-development loan is expected to be fully paid at the financial closing and carry 5% simple interest on the outstanding balance; and

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno do hereby authorize a Housing Relinquished Fund Corporation loan commitment increase for a final loan amount of up to \$1,500,000 for pre-development expenses related to the Parlier Orchard Apartments project and authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to negotiate and execute the all related documents.

PASSED AND ADOPTED THIS 28th DAY OF MAY, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

City Resolution – Pre-Development Loan for Orchard Apartments

AYES:

NOES:

ABSENT:

ABSTAIN:

Preston Prince, Secretary of the Boards of Commissioners

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF FRESNO COUNTY

**RESOLUTION TO APPROVE A PRE-DEVELOPMENT LOAN COMMITMENT OF UP TO
\$1,500,000 FROM THE HOUSING RELINQUISHED FUND CORPORATION
FOR PRE DEVELOPMENT EXPENSES RELATED TO THE PARLIER ORCHARD
APARTMENTS PROJECT**

WHEREAS, the Housing Authority of Fresno County (HAFC), California seeks to expand the availability of affordable rental housing and homeownership opportunities to low income persons within the County of Fresno; and

WHEREAS, a Limited Partnership, Parlier Orchard Apartments, LP (LP) has been created for the purposes of developing and owning the Parlier Orchard Apartments complex; and

WHEREAS, HAFC will be the administrative general partner and Silvercrest, Inc. will be the managing general partner of said LP; and

WHEREAS, HAFC received a pre-development loan commitment of up to \$500,000 at the October 23, 2018 Board meeting from the Housing Relinquished Fund Corporation for pre-development expenses related to the Parlier Orchard Apartments project; and

WHEREAS, HAFC is requesting to increase their loan by an additional \$1,000,000, for a total not to exceed amount of \$1,500,000, to cover additional predevelopment costs incurred due to an extended closing deadline; and

WHEREAS, the pre-development loan is expected to be fully paid at the financial closing and carry 5% simple interest on the outstanding balance; and

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of Fresno County do hereby authorize a Housing Relinquished Fund Corporation loan commitment increase for a final loan amount of up to \$1,500,000 for pre-development expenses related to the Parlier Orchard Apartments project and authorize Preston Prince, CEO/Executive Director, Tracewell Hanrahan, Deputy Executive Director, and/or their designee to negotiate and execute the all related documents.

PASSED AND ADOPTED THIS 28th DAY OF MAY, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Preston Prince, Secretary of the Boards of Commissioners

BOARD MEMO

O (559) 443-8400
F (559) 445-8981

1331 Fulton Mall
Fresno, California 93721
TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners

DATE: May 24, 2019

Fresno Housing Authority

BOARD MEETING: May 28, 2019

FROM: Preston Prince



AGENDA ITEM: 8b

CEO/Executive Director

AUTHOR: Emily De La Guerra

SUBJECT: Transfer of Excess Development Proceeds to the Housing Relinquished Fund Corporation (HRFC)

Executive Summary

The Fresno Housing Authority, through various partnerships and joint ventures, has developed more than 30 multi-family housing complexes over the past ten years. These developments, while meeting the mission of the Agency of providing additional homes to low-income families, have also generated a financial return to the Agency, including developer fees and ongoing revenues to the Housing Authority and its joint ventures from cash flow distributions (i.e. the “waterfall”). Staff is proposing to transfer a portion of these proceeds to the Housing Relinquished Fund Corporation (HRFC), a joint venture of Fresno Housing, to be used to further the supply of affordable housing, in accordance with the mission of the Agency and HRFC.

Recommendation

It is recommended that the Boards of Commissioners approve the transfer of excess development proceeds to the Housing Relinquished Fund Corporation in an amount no greater than \$1,500,000.

Background Information

The Low-Income Housing Tax Credit (LIHTC) and Rental Assistance Demonstration (RAD) programs were created by the federal government to allow Public Housing Agencies the ability to leverage private and public debt and equity in order to reinvest in their housing stock. The Agency, through various development partnerships and joint ventures, has developed over 1,500 units of mixed-finance affordable housing over the past ten years.

On several occasions, the Boards have approved the transfer of Housing Authority funds to HRFC. Most recently, on July 24, 2018, the Boards of Commissioners approved the transfer of \$1.17 million of sales proceeds from the Viking Village RAD project. On September 24, 2014, the Boards approved the transfer of \$7.18 million of sales proceeds from the Fresno and Mendota RAD projects. These funds have been leveraged several times over to create additional multi-family housing developments for low-income families.

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO

**RESOLUTION APPROVING THE TRANSFER OF EXCESS DEVELOPMENT PROCEEDS
TO THE HOUSING RELINQUISHED FUND CORPORATION**

WHEREAS, the Fresno Housing Authority, through various partnerships and joint ventures, has developed over thirty multi-family housing complexes in the last ten years; and

WHEREAS, these development activities have generated proceeds to the Fresno Housing Authority; and

WHEREAS, the Agency desires to transfer a portion of said proceeds, in the amount of \$1,500,000.00, from the Fresno Housing Authority to the Housing Relinquished Fund Corporation to be used to further the supply of affordable housing;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno does hereby approve the transfer of excess development proceeds from the Fresno Housing Authority to the Housing Relinquished Fund Corporation in the amount of \$1,500,000.

PASSED AND ADOPTED THIS 28th DAY OF MAY, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Preston Prince, Secretary of the Boards of Commissioners

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF FRESNO COUNTY

**RESOLUTION APPROVING THE TRANSFER OF EXCESS DEVELOPMENT PROCEEDS
TO THE HOUSING RELINQUISHED FUND CORPORATION**

WHEREAS, the Fresno Housing Authority, through various partnerships and joint ventures, has developed over thirty multi-family housing complexes in the last ten years; and

WHEREAS, these development activities have generated proceeds to the Fresno Housing Authority; and

WHEREAS, the Agency desires to transfer a portion of said proceeds, in the amount of \$1,500,000.00, from the Fresno Housing Authority to the Housing Relinquished Fund Corporation to be used to further the supply of affordable housing;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the Fresno County does hereby approve the transfer of excess development proceeds from the Fresno Housing Authority to the Housing Relinquished Fund Corporation in the amount of \$1,500,000.

PASSED AND ADOPTED THIS 28th DAY OF MAY, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Preston Prince, Secretary of the Boards of Commissioners

BOARD MEMO

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www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince 
CEO/Executive Director

DATE: May 24, 2019

BOARD MEETING: May 28, 2019

AGENDA ITEM: 8c

AUTHOR: Emily De La Guerra

SUBJECT: Consideration of Letter of Interest Submission for Moving to Work Program – U.S. Department of Housing and Urban Development

Executive Summary

The purpose of this memo is to request approval from the Boards of Commissioners to submit a Letter of Interest (LOI) package to the U.S. Department of Housing and Urban Development (HUD) expressing interest in admission to the Moving to Work (MTW) Program – Cohort #2 for both the Housing Authority of the City of Fresno and the Housing Authority of Fresno County. This LOI would provide the agency with the opportunity to review and analyze the potential benefits of the program to the agency and develop potential rent reform strategies that staff would bring back to the Boards for a possible formal application when it becomes due in the Fall of 2019. The LOI would be non-binding and any application would be revokable until a final agreement for MTW status would be offered by HUD later in 2020.

The MTW Program was established in 1996 for the purpose of providing housing authorities the opportunity to design and test locally-designed strategies that use Federal dollars more efficiently, helps residents become self-sufficient, and increases housing choices for low-income families. The MTW Program has traditionally provided PHAs with regulatory and funding flexibility to test these local strategies.

Studies have been conducted examining the effectiveness of the MTW Program and have generally concluded that it provided numerous benefits to MTW PHAs and their residents - most notably, the ability to increase housing options for residents, an increase in the self-sufficiency of residents, and in numerous cases, the agencies also had increases in cost effectiveness of their operations. This is the first statutory expansion of the MTW Program since its inception in 1996.

On March 14, 2019, HUD issued PIH Notice 2019-04, which offers eligible PHA's the opportunity to express interest in admission to the MTW program under Cohort #2, which will test rent reform policies and their impacts on families. In this first step, interested PHA's that meet the eligibility criteria, will need to submit a Letter of Interest package to HUD by June 12, 2019. The Letter of Interest package includes:

1. A Letter of Interest from the PHA stating the desire to obtain MTW designation under the 2nd cohort of the MTW Expansion Program.
2. A resolution signed by the Board of Commissioners approving the PHA's desire to obtain MTW designation under the 2nd cohort of the MTW Expansion Program.

The submission of a Letter of Interest package does not constitute formal entry or agreement to enter into the MTW demonstration. HUD will use the packages to conduct an eligibility review of interested PHA's and will notify PHAs of their eligibility status in the summer of 2019. Those PHAs that meet the eligibility requirements, as determined by HUD, will be invited to submit a full application for Cohort #2.

HUD's intention for Cohort #2 is to test a variety of rent models in order to understand how various rent models can incentivize higher earnings, minimize hardship to residents, and reduce administrative burdens. Should the Agency be invited to make a full application, Staff would analyze the impact of the proposed rent models on residents and the agency's operations, and develop recommendations for the Boards' discussion before submission of the final application in the Fall of 2019.

Recommendation

It is recommended that the Boards of Commissioners consider and approve the attached resolutions stating each Board's desire to obtain MTW designation under the 2nd cohort of the MTW Expansion Program, and stating the intention to comply with the MTW objectives and statutory requirements and the Operations Notice (which are not yet final). Both agencies would be willing to evaluate Test Rent #1, Test Rent #2, Test Rent #3 and Test Rent #4, propose modifications as allowed, and submit a letter of interest describing the proposed modifications.

Fiscal Impact

There is no fiscal impact for submitting a Letter of Interest package. Staff will come back to the Boards with more information on the financial impact of submitting a full application for Cohort #2, at the direction of the Boards.

Background Information

The Moving to Work Demonstration Program began in 1996 and there are currently 39 MTW housing authorities nationwide. In 2016, an MTW Expansion Statute was passed, which requires HUD to increase the MTW Demonstration Program by 100 PHAs over seven years. PHAs must be selected from High Performers in either SEMAP or PHAS, represent geographic diversity across the country, and administer a HCV and/or Public Housing program. PHA's must also fall within the following categories:

- No less than 50 PHAs shall administer 1,000 or fewer aggregate authorized public housing and HCV units;
- No less than 47 PHAs shall administer 1,001-6,000 aggregate authorized public housing and HCV units;
- No more than 3 PHAs shall administer 6,001-27,000 aggregate authorized public housing and HCV units; (City HA = 7,665, County HA = 6,259)
- No PHA shall be granted the designation if it administers in excess of 27,000 aggregate authorized public housing and HCV units; and
- Five of the PHAs selected shall be agencies with portfolio awards under the Rental Assistance Demonstration (RAD).

Policies to be tested under the MTW Expansion, in no particular order, except for the first and second cohorts, include:

- Overall Impact of MTW Flexibility: In the first cohort, the overall effects of MTW flexibility on a PHA and the residents it serves will be evaluated.
- Rent Reform: In the second cohort, different rent reform models that may or may not be income based will be evaluated. Below are the four rent policies that PHAs will have the option to test under Cohort #2.
 - o MTW Test Rent #1 – Tiered Rent (Income-Based)
 - o MTW Test Rent #2 – Stepped Rent: 5% Step
 - o MTW Test Rent #3 – Stepped Rent: 3% Step
 - o MTW Test Rent #4 – PHA Proposed Alternative Tiered/Stepped Rent
- Future Cohort - Work Requirements: In this cohort, work requirements for residents/participants who are at least 18 years old, non-elderly and non-disabled will be evaluated.
- Future Cohort - Landlord Incentives: This cohort will evaluate how to improve landlord participation in the HCV program through incentives such as participation payments, vacancy payments, alternate inspection schedules and other methods.

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO

**RESOLUTION TO APPROVE THE SUBMISSION OF A LETTER OF INTEREST TO THE
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE MOVING
TO WORK PROGRAM**

WHEREAS, the Board of Commissioners (“Board”) authorizes the Executive Director to submit to the U.S. Department of Housing and Urban Development (HUD) a letter of interest in obtaining Moving to Work (MTW) designation under the second cohort of the MTW Expansion;

WHEREAS, the Executive Director or his designee is authorized to negotiate with HUD the terms, conditions, and plans pursuant to which the Housing Authority of the City of Fresno (“FH”) may participate in the MTW program;

WHEREAS, the Board confirms that FH will submit a letter of interest stating FH’s willingness to evaluate MTW Test Rent #1, Test Rent #2, Test Rent #3 and/or Test Rent #4 in the second cohort of the MTW Expansion;

WHEREAS, the Executive Director may propose to modify each of the four options as proposed in the letter of intent based on the needs of the agency;

WHEREAS, if FH is invited by HUD to submit a full application for MTW designation, the Board must approve that application prior to submission to HUD;

WHEREAS, if selected for MTW designation, and subject to negotiation with HUD of a mutually acceptable final annual contributions contract agreement or other acceptable agreement authorizing MTW participation (“MTW Agreement”), the Board confirms that the Housing Authority of the City of Fresno intends to comply with the objectives and statutory requirements of MTW as well as the MTW Operations Notice, once it is final;

PASSED AND ADOPTED THIS 28th DAY OF MAY, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Preston Prince, Secretary of the Boards of Commissioners

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF FRESNO COUNTY

RESOLUTION TO APPROVE THE SUBMISSION OF A LETTER OF INTEREST TO THE
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE MOVING
TO WORK PROGRAM

WHEREAS, the Board of Commissioners (“Board”) authorizes the Executive Director to submit to the U.S. Department of Housing and Urban Development (HUD) a letter of interest in obtaining Moving to Work (MTW) designation under the second cohort of the MTW Expansion;

WHEREAS, the Executive Director or his designee is authorized to negotiate with HUD the terms, conditions, and plans pursuant to which the Housing Authority of Fresno County (“FH”) may participate in the MTW program;

WHEREAS, the Board confirms that FH will submit a letter of interest stating FH’s willingness to evaluate MTW Test Rent #1, Test Rent #2, Test Rent #3 and/or Test Rent #4 in the second cohort of the MTW Expansion;

WHEREAS, the Executive Director may propose to modify each of the four options as proposed in the letter of intent based on the needs of the agency;

WHEREAS, if FH is invited by HUD to submit a full application for MTW designation, the Board must approve that application prior to submission to HUD;

WHEREAS, if selected for MTW designation, and subject to negotiation with HUD of a mutually acceptable final annual contributions contract agreement or other acceptable agreement authorizing MTW participation (“MTW Agreement”), the Board confirms that the Housing Authority of Fresno County intends to comply with the objectives and statutory requirements of MTW as well as the MTW Operations Notice, once it is final;

PASSED AND ADOPTED THIS 28th DAY OF MAY, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Preston Prince, Secretary of the Boards of Commissioners

BOARD MEMO

O (559) 443-8400
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1331 Fulton Mall
Fresno, California 93721
TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners

DATE: May 24, 2019

Fresno Housing Authority

BOARD MEETING: March 28, 2019

FROM: Preston Prince



AGENDA ITEM: 8d

CEO/Executive Director

AUTHOR: Emily De La Guerra

SUBJECT: Consideration of the Amended Procurement Policy

Executive Summary

The purpose of this memo to request the Boards of Commissioners to consider an amended Procurement Policy. The Procurement Policy is established for the acquisition of supplies, materials, equipment, personal and professional services, and construction and maintenance services in accordance with state and federal laws and regulations. The purpose of the Procurement Policy is to ensure the Agency's purchasing and contracting methods are fair and equitable, allow for efficiencies and economies in purchasing, promote competition in contracting, and provide strong internal controls.

The current policy was adopted by the Boards in October 2015. Staff is requesting an update to that policy in order to reflect recent changes in state and federal laws, as well as industry best practices. The proposed policy was circulated internally across several departments and has been reviewed by our attorneys at Baker, Manock & Jensen and Ballard Spahr.

The overarching goals of this update to the Procurement Policy are to:

- Update the policy for varying purchasing limits;
- Streamline and strengthen the policy, where needed;
- Reduce inconsistencies and duplication; and
- Further bifurcate policies and procedures based on funding source.

As a governmental entity, the Agency is required to have an adopted Procurement Policy that must be followed. Previous versions of the Procurement Policy were predominantly based on the HUD Procurement Handbook, since most of the Agency's funding at that time came from HUD. Since then, the Agency's revenue streams have diversified to include many different funding sources consisting of federal, state, local and private funding, all of which may have their own procurement regulations and/or requirements. This can lead to potential inconsistencies that may conflict with our adopted Procurement Policy. The changes in this policy reflect a broad framework of rules that the Agency will adopt and supplement with procurement procedures based on each specific

funding source. As new funding sources are added, staff will continue to amend the procurement procedures, as needed.

Below is a summary of the major changes to the Procurement Policy.

- Section 1.5 Applications: Added language for the procurement policy apply to all actions, regardless of funding source. Moved Exclusions to Article 15.
- Section 1.5.1 Applicability of Funding Sources: Staff added language around complying with the terms and conditions of specific funding sources.
- Section 2.2 Conflicts of Interest: Staff added language from the California Code of Regulations in order to comply with State law, and language from the Code of Federal Regulations to comply with Federal law. Previous language was removed.
- Section 3.1 General Procurement Administration: Staff added language regarding the responsibilities of the Contracting Officer. Previous language was removed.
- Section 3.2 Ensuring Reasonable Cost: Staff streamlined this section to cover all procurement actions, instead of listing the cost reasonableness requirements by procurement action.
- Section 3.3 Procurement Methods: Staff combined Procurement Methods Using Federal Funds and Procurement Methods Using Non-Federal Funds into one section. The procurement procedures will supplement the policy based on the requirements of each specific funding source.
- Section 3.3.2 Micro Purchases, Section 3.3.3 Simplified Acquisition Threshold, and Section 3.3.5 Competitive Proposals: Dollar thresholds were removed from each section as they vary depending on the funding source. The exact amounts for each funding source will be included in the procurement procedures.
- Section 3.3.4 Sealed Bids/Invitations for Bid: Streamlined and added in the language from previous Section 4.1 Method of Solicitation.
- Section 3.3.5 Competitive Proposals: Streamlined language and removed HUD-specific language. Added additional and clarifying language around Negotiations under Request for Proposal.
- Section 3.3.7 Non-competitive Proposals: Clarified language around when non-competitive proposals can be used, including emergencies and inadequate competition. Removed specific HUD language from Justification, which will be included in the procurement procedures.
- Section 4.1 Solicitation Time Period: Consolidated language around the Method of Solicitation into Section 3.3 Procurement Methods for ease of reading.
- Section 4.3 Cancellations of Solicitations: Combined language for cancelling solicitations before and after bids have been received.
- Section 4.6 Credit (or Purchasing) Cards: Language is covered by the Board-approved Credit Card Use Policy.
- Section 6.2 Suspension and Debarment: Language was included in Section 6.1 Contractor Responsibility.
- Article 8 Contract Clauses: Added best practices language around reducing material changes in contract templates, if the templates were provided as part of the solicitation documents.
- Article 9 Contract Administration: Added language around disputes over costs.
- Section 11.2 Informal Appeals Procedure and Section 11.3 Formal Appeals Procedure: Combined with language in Section 11.3.1 Bid Protest/Appeals.

- Section 12.1 Required Efforts to Small and Other Businesses: Added language and references to applicable law around assistance to small and other businesses (including minority-owned, woman-owned or public housing resident-owned) and Section 3 requirements.
- Article 13 Board Approval of Procurement Actions: Streamlined and clarified language around Board required actions.
- (Removed) Article 15 Documentation: Duplicative. This language is already included in our procurement procedures.
- (Removed) Article 17 Funding Availability: Combined in Section 3.1 General Procurement Administration.
- Article 15 Exclusions: Moved from the front of the document under General to the end.

Included with this memo is a simplified red-line version of the 2015 procurement policy, which does not include formatting changes and changes to the table of contents. Staff has also included a version with no mark-up for ease of reading.

Recommendation

It is recommended that the Boards of Commissioners approve and adopt the proposed Procurement Policy.

Fiscal Impact

None.

Background Information

The Boards of Commissioners approved the Agency's original Procurement Policy on December 18, 2002. In December 2009, the policy was amended to incorporate criteria specific to Capital Fund Stimulus Grant Funds received as part of the American Reinvestment and Recovery Act (ARRA). This criteria was removed from subsequent revisions because all ARRA funds had been expended. The Boards subsequently approved other amendments to the Procurement Policy on April 25, 2012 and October 27, 2015. The 2015 approved policy has guided the Agency's purchasing and procurement practices since that time.

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE

HOUSING AUTHORITY OF THE CITY OF FRESNO

RESOLUTION TO APPROVE THE ADOPTION OF THE AGENCY

PROCUREMENT POLICY

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Fresno previously adopted Joint Resolution 3556 entitled "Resolution Approving the Adoption of the Agency Procurement Policy"; and,

WHEREAS, there is a need to revise the aforementioned Procurement Policy to conform with updated requirements from the Department of Housing and Urban Development, the Office of Management and Budget, and the State of California;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the City of Fresno hereby approves the attached revised policy titled "Agency Procurement Policy" and rescinds all other previous versions of this policy.

PASSED AND ADOPTED THIS 28th DAY OF MAY, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Preston Prince, Secretary of the Boards of Commissioners

RESOLUTION NO. _____
BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE COUNTY OF FRESNO
RESOLUTION TO APPROVE THE ADOPTION OF THE AGENCY
PROCUREMENT POLICY

WHEREAS, the Board of Commissioners of the Housing Authority of the County of Fresno previously adopted Joint Resolution 2254 entitled "Resolution Approving the Adoption of the Agency Procurement Policy"; and,

WHEREAS, there is a need to revise the aforementioned Procurement Policy to conform with updated requirements from the Department of Housing and Urban Development, the Office of Management and Budget, and the State of California;

NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the County of Fresno hereby approves the attached revised policy titled "Agency Procurement Policy" and rescinds all other previous versions of this policy.

PASSED AND ADOPTED THIS 28th DAY OF MAY, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Preston Prince, Secretary of the Boards of Commissioners

Agency Procurement Policy

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DRAFT

Agency Procurement Policy

Article 1 General Provisions

Section 1.1 Purpose

The purpose of this Procurement Policy ~~(this "Policy")~~ is to establish a broad framework of policies and guidelines to ensure that the Fresno Housing Authority's (the "Agency") purchasing and contracting functions promote administrative flexibility and efficiency, while at the same time maintaining prudent internal controls and compliance with applicable statutes and regulations. The Agency shall maintain a procurement system of quality and integrity that (i) provides for the fair and equitable treatment of all persons or firms involved in purchasing with the Agency, (ii) ensures that supplies and services ~~(including construction services)~~ are procured efficiently, effectively, and at the most favorable prices available, (iii) promotes competition in contracting, and (iv) assures that the Agency's purchasing actions are in full compliance with applicable federal standards, HUD regulations, ~~state~~State, and local laws.

-Section 1.2 Compliance with Laws and Regulations

This Policy complies with the Annual Contributions Contract ("ACC") between the Agency and the U.S. Department of Housing and Urban Development ("HUD"), applicable Federal Regulations, the

procurement standards of the HUD Procurement Handbook for Public Housing Agencies, HUD Handbook 7460.8 Rev 2, and applicable State and local laws; 2 CFR 200, and applicable State and local laws including California Labor Code section 1720-1861 *(Public Works), California Public Contracts Code, California Government Code, Title 2 of the California Code of Regulations section 18700 *et seq.* (Conflicts of Interest), Title 8 of the California Code of Regulation section 16000-16403 (Payment of Prevailing Wages upon Public Works).

Section 1.3 Change in Law

In the event a law or regulation applicable to this Policy is modified or eliminated, or a new such law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with this Policy, automatically supersede the inconsistent provision(s) of this Policy.

Section 1.4 Definitions

The term “procurement,” as used in this Policy, includes the procuring, purchasing, leasing, or renting of:

- Goods, supplies, equipment, and materials;
- Construction and maintenance services;
- Consultant services;
- Architectural and Engineering (“A/E”) services;
- Social Services; and
- Other services.

Section 1.5 Applications

This Policy applies to all procurement actions of the Agency, regardless of the source of funds, except those procurement actions identified in "Exclusions" below.

Section 1.5.1 ~~below~~ Applicability of Funding Sources

Section 1.5.1 ~~Exclusions~~

~~This Policy does not govern direct payments for postage, licenses, permits, purchases from other government agencies or non-profits where the agency provides goods or services not available in the private sector, travel expenses, food costs, conferences, professional association fees, stipends, public transportation, parking fees, publications, advertisements for employment, or solicitation notices. Furthermore, this Policy does not govern purchases or sales of real property, loan transactions and related documents, employment contracts, limited partnership agreements, administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 voucher program, the execution of landlord Housing Assistance Payment (HAP) contracts under that program, or contracts signed on behalf of an affiliate entity, instrumentality, or as a fiscal or management agent acting on behalf of another entity.~~

Section 1.5.2 ~~Funding Sources~~

The Agency ~~receives~~ is eligible to receive funds from federal, non-federal, and private funding sources. As such, the Agency shall ~~develop procurement procedures designed to ensure compliance~~ comply with any funding source requirements and all applicable laws and regulations without imposing a higher standard than is necessary to ensure compliance. Nothing in this Policy shall prevent the Agency from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with the law.

- ~~1. When both HUD and non-Federal funds are used for a resulting contract or project, the work to be accomplished should be separately identified prior to procurement activity utilizes federal funds, federal so that appropriate requirements can be applied, if necessary. If it is not possible to separate the funds, HUD procurement rules and regulations shall apply to the procurement in accordance with 2 CFR 200.317-326 Procurement Standards and HUD Procurement Handbook 7460.8 Rev 2.~~
- ~~2. When a resulting contract or procurement activity utilizes only non federal funds, state law and local policy shall apply to the procurement.~~

~~When a resulting contract or procurement activity utilizes both federal and non federal be applied to the total project. If funds, the federal rules and regulations shall apply to the entire procurement unless the funds and scope of work can be separated. If the funds and scope of and work~~

can be completed by a new contract, then ~~the rules and~~ regulations applicable to the source of funding ~~may~~ shall then be ~~applied~~ followed.

Section 1.6 Public Access to Procurement Information

~~Most procurement~~ Procurement information ~~that is not proprietary~~ is a matter of public record and shall be available ~~to the public to the extent provided in~~ unless exempt from disclosure under the California Public Records Act (California Government Code §6250 et seq.) ~~and the Federal Freedom of Information Act (5 U.S.C. §552)-).~~

Article 2 Ethics in Public Contracting

Section 2.1 General

The Agency hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. To the best of the Agency's knowledge, this code of conduct is consistent with applicable Federal, State, and local law.

Section 2.2 Conflicts of Interest

No ~~employee, officer, Board member, employee~~ or agent ~~of the Agency~~ shall participate ~~directly or indirectly in or in~~ any way attempt decision related to influence the selection, award or administration of contracts if that individual has a prohibited conflict of interest arising from California's conflict of interest laws, including those set forth in the Political Reform Act (Government Code sections 81000 – 91014) and its implementing regulations. (2 Cal. Code of Regs. §§ 18110 – 18997)

No officer, employee or agent shall participate in any decision related to the selection, award, or administration of any contract supported by a Federal award if he or she has a conflict of interest, either real or apparent, would be involved. This type of. Such a conflict of interest would arise when one of the persons listed below the employee, officer, or agent, any members of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or any other type of interest in, or a tangible personal benefit from, a firm competing or being considered for the award of the contract. (2 CFR 200.318(c)(1))

- ~~An employee, officer, Board member, or agent involved in making the award;~~
- ~~His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, same or opposite sex domestic partner, father in law, mother in law, son in law, daughter in law, brother in law, sister in law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister);~~
- ~~His/her domestic partner;~~

- ~~— An organization which employs or is negotiating to employ, or has an arrangement concerning prospective employment of any of the above; or~~
- ~~— Other relationship or association which might cause a conflict of interest.~~

This section is further supplemented by the Agency's Conflict of Interest Code and Policy.

Section 2.3 Gratuities, Kickbacks, and Use of Confidential Information

No officer, employee, Board member, or agent of the Agency shall ask for or accept gratuities, favors, or anything of monetary value from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain or actual or anticipated personal gain of any other person. Individuals shall refer to the Agency's Conflict of Interest Policy for specific guidance regarding the acceptance of gratuities, favors, gifts and other similar items.

Section 2.4 Prohibition Against Contingent Fees

Contractors wanting to do business with the Agency must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies or where permissible by law.

Section 2.5 Prohibition Against Bid Splitting and Piecemealing

The Agency shall not split or piecemeal one purchase into multiple purchases that are less than the applicable threshold merely to avoid any requirements that apply to purchases that exceed those thresholds. However, larger requirements may be broken into smaller ones to afford small and minority businesses the opportunity to participate in the Agency's procurements, or to comply with applicable funding source requirements.

Article 3 Procurement Planning Administration

Section 3.1 General

~~Planning is essential to managing the procurement function properly. Hence, the Agency will periodically review its record of prior purchases, as well as future needs, to:~~

- ~~— Find patterns of procurement actions that could be performed more efficiently or economically;~~
- ~~— Maximize competition and competitive pricing among contracts and decrease the Agency's procurement costs;~~
- ~~— Reduce Agency administrative costs;~~
- ~~— Ensure that supplies and services are obtained without any need for re-procurement, (e.g., resolving bid protests); and,~~

~~— Minimize errors that occur when there is inadequate lead time.~~

~~Consideration should be given to storage, security, and handling.~~ All procurement actions shall be administered by the Contracting Officer, who shall be the Executive Director "ED", President, CEO or other individual he or she has authorized in writing. The Contracting Officer shall issue procurement procedures to implement this Policy, which shall be based on the sources identified in Section 1.2 of this Policy.

The Contracting Officer shall ensure that:

- ~~3.1. Procurement requirements when~~ are subject to regular planning ~~the most appropriate processes to assure efficient and economical purchasing actions.~~
2. Contracts and modifications are in writing, clearly specifying the desired supplies, services and construction, and are supported by sufficient documentation regarding the history of the procurement, including as a minimum the method of procurement chosen, the selection of the contract type, the rationale for selecting or rejecting offers, and the basis for the contract price;
3. Solicitation and notice requirements are conducted in full compliance with all applicable laws and regulations, including requirements set forth by individual funding sources;
4. Contract award is made to the Responsive and Responsible bidder offering the lowest price (for sealed bid contracts) or contract award is made to the proposer whose proposal offers the Best Value to the Agency, considering price (except for those Competitive Proposals made by RFQ, as defined below), technical, and other factors as specified in the solicitation (for contracts awarded based on competitive proposals); unsuccessful firms are notified within the time period required by the applicable law after contract award;
5. There are sufficient unencumbered funds available to cover the anticipated cost of each procurement before contract award or modification (including change orders), work is inspected before payment, and payment is made promptly for contract work performed and accepted; and
6. The Agency complies with applicable requirements as provided in the procurement procedures supplementing this Policy.

Section 3.2 Ensuring Reasonable Costs

Before initiating any contract, the Agency shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.

The Agency shall require assurance, before entering into a contract, that the price is reasonable based on competition in the market. In evaluating responses to solicitations, the Agency shall ~~perform a~~ ensure price ~~or cost analysis in connection~~ reasonableness with every procurement action, including contract modifications. The method and degree of analysis depends on the facts surrounding the particular procurement situation, and ~~is detailed in Sections 3.2.1 – 3.2.6.~~ the level of detail shall be commensurate with the cost and complexity of the item to be purchased. Cost reasonableness may be established by:

Section 3.2.1 — Independent Cost Estimate (ICE)

For all purchases above the Micro Purchase threshold, as defined below, the Agency shall prepare an ICE prior to solicitation. The level of detail shall be commensurate with the cost and complexity of the item to be purchased. The ICE may be prepared by qualified Agency staff or by an independent consultant engaged for the purpose of preparing such an estimate.

Section 3.2.2 — Cost and Price Analysis (CPA)

The Agency shall require assurance that, before entering into a contract, the price is reasonable, in accordance with the instructions in this section.

Section 3.2.3 — Petty Cash and Micro Purchases

No formal independent cost estimate or price analysis is required for petty cash or micro purchases. Rather, the execution of a contract by the Contracting Officer (through a Purchase Order or other means) shall serve as the Contracting Officer's determination that the price obtained is reasonable, which may be based on the Contracting Officer's prior experience or other factors.

Section 3.2.4 — Small Purchases/Simplified Acquisition Threshold (SAT)

Unless otherwise noted, a comparison with other offers shall generally be sufficient determination of the reasonableness of price and no further analysis is required. If a reasonable number of quotes are not obtained to establish reasonableness through price competition comparison, the Contracting Officer shall establish price reasonableness through other means, such as prior purchases of the same nature, catalog prices, the Contracting Officer's personal knowledge at the time of purchase, comparison to the ICE, or any other reasonable basis.

Section 3.2.5 — Sealed Bids

Unless otherwise noted, the presence of adequate competition should generally be sufficient to establish price reasonableness. In the event that sufficient bids are not received, the bid received is substantially greater than the ICE, or the Agency cannot reasonably determine price reasonableness, the Agency must conduct a cost analysis, consistent with federal guidelines, to ensure that the price paid is reasonable.

Section 3.2.6 — Competitive Proposals

Unless otherwise noted, the presence of adequate competition should generally be sufficient to establish price reasonableness. In the event that sufficient bids are not received, the Agency must compare the price(s) received with the ICE. For competitive proposals where prices cannot be easily compared among offerors, where there is not adequate competition, or where the price is substantially greater than the ICE,

~~the Agency must conduct a cost analysis consistent with Federal guidelines to ensure that the price paid is reasonable.~~

- ~~- Section 3.3 Purchasing an independent cost estimate, which is prepared before solicitation issuance and is appropriately safeguarded for each procurement;~~
- ~~- a cost or price analysis, which is conducted when the responses are received for all procurements;~~
- ~~or~~
- ~~- other reasonable and prudent means of ensuring price reasonableness, including, without limitation, securing multiple bids, comparing costs or prices with those paid by other public agencies for similar services or supplies, or comparing costs or prices with previous contracting costs for similar services or supplies.~~

Section 3.3 Procurement Methods Using Federal Funds

Section 3.3.1 Petty Cash Purchases

Purchases under \$100 may be handled through the use of a Petty Cash Account. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period, e.g., one month. For all Petty Cash Accounts, the Agency shall ensure that security is maintained and only authorized individuals have access to the account. These accounts should be reconciled and replenished periodically.

~~Purchases under \$100 may be handled through the use of a Petty Cash Account. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period, e.g., one month. For all Petty Cash Accounts, the Agency shall ensure that security is maintained and only authorized individuals have access to the account. These accounts should be reconciled and replenished periodically.~~

Section 3.3.2 Single Quote: Micro Purchases

~~These procedures regarding Micro Purchases apply to the procurement of goods and services that utilize federal funds. Purchases involving an expenditure of \$3,000 or less may be made without soliciting competitive quotations. Purchases that do not exceed the Micro Purchase Threshold may be made~~ after obtaining one price quotation, if the price is considered reasonable. Vendor catalogs, as well as previous purchases, where applicable, of the same or similar item ~~should~~ may be considered in determining price reasonableness. To the extent practicable, Micro Purchases must be distributed equitably among qualified sources. ~~If practical, a quotation shall be solicited from an independent source before placing a repeat order.~~

Section 3.3.3 — Multiple Quotes: Small Purchases & Simplified Acquisition Threshold (SAT) ~~/ Small Purchase Procedures~~

~~These procedures regarding SAT/Small Purchases apply to the procurement of goods and services. For purchases that utilize federal funds. For purchase amounts above~~ exceed the Micro Purchase ~~ceiling, but not exceeding the SAT of \$150,000, Threshold,~~ the Agency ~~may use Small Purchase Procedures. Under these Small Purchase Procedures, they must obtain multiple quotes. The~~ Agency should solicit and attempt to receive a minimum of three quotes from qualified sources. ~~Written documentation of each quote including, at a minimum, the company name, phone number and amount of the quote.~~ Quotes may be obtained orally (either in person or by phone), by fax, email, in writing, or through e-procurement ~~or similar software.~~ An award shall be made to the qualified vendor that provides the best value to the Agency. If an award is to be made for reasons other than lowest price or three quotes cannot be obtained, documentation of those reasons shall be provided in the contract file. ~~The Agency shall not break down requirements aggregating more than the Small Purchase threshold (or the Micro Purchase threshold) into several purchases that are less than the applicable threshold merely to permit use of the Small Purchase procedures or to avoid any requirements that applies to purchases that exceed the Micro Purchase threshold.~~

Section 3.3.4 Sealed Bids/Invitations for Bids

Sealed Bidding is a formally advertised and competitive selection process used to obtain contracts for goods and services awarded on the basis of lowest bid. ~~Sealed Bidding is initiated by the Agency's issuance of an Invitation for Bids ("IFB").~~ Under sealed bids, the Agency publicly solicits bids and awards a firm fixed-price contract (lump sum or unit price) to the responsible bidder whose bid, conforming with all the materials terms and conditions ~~of the IFB,~~ is the lowest in price. ~~The procedure set forth in this section applies to the procurement of goods and services.~~ Sealed Bidding shall be used for all contracts that utilize federal funds exceed the Small Purchase threshold and that are not Competitive Proposals or Non-competitive Proposals.

~~Sealed Bidding shall be used for all contracts that exceed the Small Purchase threshold and that are not Competitive Proposals or Non-competitive Proposals. Sealed Bidding is the Agency's preferred method~~

~~for procuring construction, supply, and non-complex service contracts that are expected to exceed the Small Purchase threshold.~~

Section ~~3.3.4.14.14.15~~ Conditions for Using Sealed Bids

The Agency ~~shall~~may use Sealed Bidding if the following conditions are present:

- A complete, adequate, and realistic statement of work, specification, or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the work;
- The contract can be awarded in writing based on a firm fixed price; and,
- The contract will be awarded to the lowest priced responsive and responsible bidder.

If all four of the above criteria are not met, the Agency should consider using Competitive Proposals using a Request For Proposal.

Section 3.3.4.~~221~~ Solicitation and Receipt of Bids

Under the Sealed ~~Bidding~~Invitation for Bids ("IFB") process, ~~when the Agency issues an IFB, it~~ shall include the specifications and all contractual terms and conditions applicable to the procurement, ~~and a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the.~~ The Agency must use one or more following solicitation. The IFB should be solicited in a manner that methods, provided that the method employed provides fair and open for meaningful competition and distributed to an adequate number of known suppliers within a sufficient response time prior to the date set for opening bids, as indicated.

- Advertising in newspapers or other print media of local or general circulation;
- Advertising in the IFB, various trade journals or publications (for construction); or
- E- Procurement. The Agency may conduct its public procurements through the Internet using e-procurement systems.

The IFB must~~shall~~ state the time and place for both the receiving of bids and the public opening of those bids. The bids submitted must be sealed. Bids submitted that are not sealed will either not be accepted or determined to be non-responsive. All bids received will be date and time-stamped and stored unopened in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.

Section 3.3.4.~~332~~ Bid Opening and Award

Bids shall be opened publicly and in the presence of at least one witness. All bids received shall be recorded on an abstract (tabulation) of bids, and then made available for public inspection. If equally low bids are

received from responsible bidders, selection shall be made by drawing lots or other similar random method. The method for choosing between similar bids shall be stated in the [IFB invitation for bids](#). If only one responsive bid is received from a responsible bidder, the award shall not be made unless the [agency determines the price can be determined to be reasonable, based on a cost or price analysis](#).

Section 3.3.4.443 Mistakes in Bids

Correction or withdrawal of bids may be permitted, where appropriate, prior to the time set for bid opening by written or telephonic notice received in the office designated in the IFB. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake ~~of that is~~ non-prejudicial ~~character to the agency~~ was made, [objective evidence of the nature of the mistake made, and the bid price actually intended. A non-prejudicial mistake is one that will not have a material impact on the budget, service or risk allocation of the project or service.](#) A low bidder alleging a ~~nonjudgmental nonprejudicial~~ mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made. All decisions to allow correction or withdrawal of a bid shall be supported by a written determination signed by the Contracting Officer. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of the Agency or fair competition shall not be permitted.

Section 3.3.5 Competitive Proposals/Request for Proposals

~~Unlike Sealed Bidding, the~~ [Formal competitive proposals are the preferred method for procuring professional services that will exceed the Small Purchase and SAT threshold, and where conditions are not appropriate for the use of sealed bidding for awards based on lowest cost. Awards for competitive proposals are normally made on the basis of the proposal that represents the best overall value to the Agency, considering price and other factors set forth in the solicitation.](#)

Section 3.3.5.1 Conditions for Use

[When the Contracting Officer determines in his or her reasonable judgment that conditions are not appropriate for the use of Sealed Bidding, Competitive Proposals may be used. The](#) Competitive Proposal method permits:

- Consideration of technical factors other than price;
- Discussion with ~~offerors~~ [proposers](#) concerning offers submitted;
- Negotiation of contract price or estimated cost and other contract terms and conditions;
- Revision of proposals before the final contractor selection; and,
- The withdrawal of an offer at any time up until the point of award.

Award is normally made on the basis of the proposal that represents the best overall value to the Agency, considering price and other factors (e.g., technical expertise, past experience, quality of proposed staffing, etc.) set forth in the solicitation and not solely the lowest price. The Competitive Proposal procedure is appropriate for the procurement of consultants and contractors when the Agency desires to evaluate offerors on more than price. The procedure set forth in this section applies to the procurement of goods and services that utilize federal funds.

Section 3.3.5.1 — Conditions for Use

Where conditions are not appropriate for the use of Sealed Bidding, Competitive Proposals may be used. Competitive Proposals are the preferred method for procuring professional services that will exceed the Small Purchase threshold. Construction services may only be procured by competitive proposals under very limited circumstances, as detailed within Section 7.2.B of HUD Procurement Handbook, 7460.8 Rev 2. Competitive proposals are normally conducted with more than one source submitting an offer, and either a fixed price or cost reimbursement contract is awarded.

Section 3.3.5.2 Form of Solicitation and Receipt of Proposals

Other than A/E services, Competitive Proposals shall be solicited through a "request for proposals" (RFP) or a "request for qualifications" (RFQ). Solicitation must be done publicly. The Agency must use one or more following solicitation methods, provided that the method employed provides for meaningful competition.

- Advertising in newspapers or other print media of local or general circulation;
- Advertising in various trade journals or publications (for construction); or
- the issuance of a Request for Proposal ("RFP"). The publicized RFP E- Procurement. The Agency may conduct its public procurements through the Internet using e-procurement systems.

The competitive proposal shall clearly identify the relative importance and relative value of each of the price (except an RFQ which shall not consider price) and other evaluation factors as well as any subfactors and price. Any response to publicized request for proposals must be considered to the maximum extent practical. A written and sub factors, including the weight given to each. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established by the Agency before the solicitation is issued. Proposals shall be handled so as to prevent disclosure of the number of offerors, proposers, the identity of the offerors/proposers, and the contents of their proposals until after award. The Agency may assign price a specific weight in the evaluation criteria or the Agency may consider price in conjunction with technical factors. In either case, the method for evaluating price shall be established in the RFP.

Section 3.3.5.23 Evaluation

The proposals shall be evaluated ~~only on using~~ the criteria stated in the RFP. ~~Where not apparent from the evaluation criteria, the Agency shall establish an Evaluation Plan for each RFP. Generally, all RFPs shall be evaluated or RFQ by an appropriately appointed Evaluation Committee, which may include staff with knowledge and experience of the goods or services being procured, as well as outside stakeholders when appropriate. The Evaluation Committee shall be required to disclose any potential conflicts of interest and may be asked to sign a Non-Disclosure statement. An Evaluation Report, summarizing~~ During the ~~result~~ evaluation, the Agency may establish a competitive range by identifying proposals that have a reasonable chance of ~~the~~ being awarded a contract.

Section 3.3.5.4 Negotiations with Request for Proposals (RFP)

The proposals shall be evaluated, rated and ranked in accordance with the technical and price factors specified in the RFP. If based on the initial evaluation, ~~shall be prepared prior to award of a contract.~~

Section 3.3.5.3 Negotiations

~~Negotiations shall be conducted with all offerors who submit a~~ the Evaluation Committee determines there is a clear winning proposal ~~determined to (or multiple winning proposals), the Agency may award the contract accordingly.~~

If, after the initial evaluation of proposals, the Agency determines there is no clear winning proposal, negotiations shall be commenced as set forth in this section. The Agency reserves the right to determine the scope and extent of the negotiations, and may include the following steps:

1. Initial Discussions: The Contracting Officer, or their designee, may conduct discussions with responsible proposers whose proposals have a reasonable chance of being selected for award, ~~unless~~. These discussions are intended to maximize the Agency's ability to obtain Best Value and will be tailored to each proposer's proposal. The scope of discussions may include a proposal's weaknesses and deficiencies that could, in the opinion of the Contracting Officer, be altered or better explained to materially enhance the proposer's potential for award. The scope of discussions may also include the proposal's price, schedule, technical approach, and contract terms, as well as an proposer's prior contract performance. "Auctioning" (revealing one proposer's price in an attempt to get another proposer to lower their price) is prohibited.
2. Determination of Competitive Range: After initial evaluations and negotiations are complete, the evaluation panel may re-evaluate proposals based on the initial discussions and solicitation criteria, and re-determine the range of competitive scores.
3. Best and Final Offers (BAFOs): All proposers with scores within the competitive range following discussions shall be provided an opportunity to revise and/or clarify their proposals, including price, by submitting a BAFO. A common deadline for receipt of BAFOs shall be established. BAFOs shall be evaluated by an evaluation panel in essentially the same manner as the initial

evaluation of the proposals. The Contracting Officer shall ensure that a full evaluation of BAFOs is conducted sufficient to support an award decision based on best value to the agency. While BAFOs are usually requested once during the procurement process, in exceptional circumstances, the Contracting Officer may determine that it is determined that negotiations are not needed with any of the offerors. This determination is based on the relative score of the proposals as they are evaluated and rated in accordance with the technical and price factors specified in the RFP. These offerors in the best interest of the Agency to request a second round of BAFOs. In such cases, invitations for the second BAFO need only be sent to those proposers whose proposals are within the range of competitive scores following receipt of the first set of BAFOs.

4. Treatment of Proposers: Proposers shall be treated fairly and equally with respect to any opportunity for negotiation and revision of their proposals. No offerorproposer shall be given any information about any other offeror'sproposer's proposal, and no offerorproposer shall be assisted in bringingby the Agency to bring its proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations. Negotiations are exchanges (in either competitive or sole source environment) between the Agency and offerors that are undertaken with the intent of allowing the offeror to revise its proposal. These negotiations may include bargaining. Bargaining includes persuasion, alteration of assumptions and positions, give and take, and may apply to price, schedule, technical requirements, type of contract or other terms of a proposed contract. When negotiations are conducted in a competitive procurement, they take place after establishment of the competitive range and are called discussions. Discussions are tailored to each offeror's proposal, and shall be conducted by the Contracting Officer and/or his/her designee(s), with each offeror within the competitive range. The primary object of discussions is to maximize the Agency's ability to obtain best value, based on the requirements and the evaluation factors set forth in the solicitation. The Contracting Officer shall indicate to, or discuss with, each offeror still being considered for award, significant weaknesses, deficiencies, and other aspects of its proposal (such as cost, price, technical approach, past performance, and terms and conditions) that could, in the opinion of the Contracting Officer, be altered or explained to enhance materially the proposer's potential for award. The scope and extent of discussions are a matter of the Contracting Officer's judgment. TheThe Contracting Officer or designee may inform an offerora proposer that its price is considered by the Agency to be too high, or too low, and reveal the results of the analysis supporting that conclusion. It isThe Contracting Officer or designee may also permissible to indicate to all offerorsproposers the cost or price that the Agency's price analysis, market research, and other reviews have identified as reasonable. "Auctioning" (revealing one offeror's price in an attempt to get another offeror to lower their price) is prohibited.

Section 3.3.5.4 Award

Contracts shall be awarded in accordance with the terms of the solicitation. After evaluation of the ~~revised proposals, if any, bid or proposal~~ the contract shall be awarded to the responsive and responsible ~~firm~~ whose bidder or proposal that is most advantageous to the Agency.

Section 3.3.6 Request for Qualifications/Qualification Based Selections

The Agency must contract for A/E architect and/or engineering services using Qualification Based Selection ("QBS") procedures, utilizing a Request for Qualifications ("RFQ"). ~~Sealed Bidding shall not be used for A/E solicitations. Under QBS~~ Under RFQ procedures, competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. ~~QBS procedures shall not be used to purchase other types of services, though architectural/engineering firms are potential sources.~~ The RFQ method may also be used to procure development partners for mixed-finance projects pursuant to 24 CFR Part 905.

Section 3.3.7 Non-competitive Proposals

Section 3.3.7.1 Conditions for Use

Procurement by Non-competitive Proposals (sole-source) may be used only when the award of a contract is not feasible using ~~Small Purchase Procedures, Sealed Bids, cooperative purchasing, or Competitive Proposals, other procurement methods~~ and if one of the following applies:

1. The item is available only from a single source, based on a good faith review of available sources;
- ~~2. A public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;~~
2. There is an emergency situation defined as a sudden, unexpected occurrence that requires immediate action to prevent or mitigate the loss or impairment of life, health, property or public service;
3. HUD expressly authorizes the use of non-competitive proposals; ~~or~~
4. After solicitation of a number of sources, competition is determined inadequate; or
5. The agency chooses to abandon the procurement due to the agency receiving only one qualified bid or proposal.

Section 3.3.7.2 Justification

Each procurement based on Non-competitive Proposals shall be supported by a written justification for the selection of this method; including the reasonableness of the price as described in Section 3.2 et seq. of this Policy. The justification shall be approved in writing by the responsible Contracting Officer. ~~Poor planning~~

or lack of planning is not justification for emergency or sole source procurements. The justification, to be included in the contract file, should include the following information:

1. Description of the procurement needed;
2. History of prior purchases and their nature (competitive vs. non-competitive);
3. The specific exception in 2 CFR 200.320(f)(1) (4) which applies;
4. Statement as to the unique circumstances that requires an award by Non-competitive Proposal;
5. Description of the efforts made to find competitive sources (advertisement in trade journals or local publications, phone calls to local suppliers, issuance of a written solicitation, etc.);
6. Statement as to efforts that will be taken in the future to promote competition for the requirement;
7. Signature by the Contracting Officer's supervisor or another higher ranking Agency official; and
8. Price Reasonableness. The reasonableness of the price for all procurements based on Non-competitive Proposals shall be determined by performing a cost or price analysis, as described in Section 3.2.2 et seq. of this Policy.

Section 3.4 — Purchasing Methods Using Non-Federal Funds

Section 3.4.1 — Petty Cash Purchases for Non-Federal Funds

Purchases under \$100 may be handled through the use of a Petty Cash Account. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period, e.g., one month. For all Petty Cash Accounts, the Agency shall ensure that security is maintained and only authorized individuals have access to the account. These accounts should be reconciled and replenished periodically.

Section 3.4.2 — Single Quote: Micro Purchases for Non-Federal Funds

These procedures regarding Micro Purchases apply to the procurement of goods and services that utilize non-federal funds. Purchases involving an expenditure of \$10,000 or less may be made after obtaining one price quotation, if the price is considered reasonable. Vendor catalogs, as well as previous purchases, where applicable, of the same or similar item should be considered in determining price reasonableness. To the extent practicable, Micro Purchases must be distributed equitably among qualified sources and, if practical, a quotation shall be solicited from an independent source before placing a repeat order.

Section 3.4.3 — Multiple Quotes: Small Purchase Procedures for Non-Federal Funds

These procedures regarding Small Purchases apply to the procurement of goods and services that utilize non-federal funds. Under these Small Purchase Procedures, the Agency should solicit and receive a

~~minimum of three quotes from qualified sources. Written documentation of each quote including, at a minimum, the company name, phone number and amount of the quote. To the greatest extent feasible, and to promote competition, Small Purchases awards should be distributed among qualified sources. Quotes may be obtained orally (either in person or by phone), by fax, email, in writing, or through e-procurement. An award shall be made to the qualified vendor that provides the best value to the Agency. If award is to be made for reasons other than lowest price or three quotes cannot be obtained, documentation of those reasons shall be provided in the contract file. The Agency shall not break down requirements aggregating more than the Small Purchase threshold (or the Micro Purchase threshold) into several purchases that are less than the applicable threshold merely to permit use of the Small Purchase procedures or to avoid any requirements that applies to purchases that exceed the Micro Purchase threshold.~~

Section 3.4.4 — Scaled Bids/Invitations for Bids for Non-Federal Funds

~~Scaled Bidding is a formally advertised and competitive selection process used to obtain contracts for goods and services awarded on the basis of lowest bid. Scaled Bidding is initiated by the Agency's issuance of an Invitation for Bids ("IFB"). Under Scaled Bidding, the Agency publicly solicits bids and awards a firm fixed-price contract (lump sum or unit price) to the responsible bidder whose bid, conforming with all the material terms and conditions of the IFB, is the lowest in price. The procedure set forth in this section applies to the procurement of goods and services that utilize non-federal funds.~~

~~Scaled Bidding shall be used for all contracts that exceed the Small Purchase threshold and that are not Competitive Proposals or Non-competitive Proposals. Scaled Bidding is the preferred method for procuring construction, supply, and non-complex service contracts that are expected to exceed the Small Purchase threshold.~~

Section 3.4.4.1 — Conditions for Using Scaled Bids

~~The Agency shall use Scaled Bidding if the following conditions are present:~~

- ~~— A complete, adequate, and realistic statement of work, specification, or purchase description is available;~~
- ~~— Two or more responsible bidders are willing and able to compete effectively for the work;~~
- ~~— The contract can be awarded in writing based on a firm fixed price; and,~~
- ~~— The contract will be awarded to the lowest priced responsive and responsible bidder.~~

~~If all four of the above criteria are not met, the Agency should consider using Competitive Proposals using a Request for Proposal (RFP).~~

Section 3.4.4.2 — Solicitation and Receipt of Bids

~~Under the Scaled Bidding process, the Agency issues an IFB, which includes the specifications and all contractual terms and conditions applicable to the procurement, and a statement that award will be made~~

to the lowest responsible and responsive bidder whose bid meets the requirements of the solicitation. The IFB should be solicited in a manner that provides fair and open competition and distributed to an adequate number of known suppliers within a sufficient response time prior to the date set for opening bids. The IFB must state the time and place for both the receiving of bids and the public opening of those bids. All bids received will be date and time stamped and stored unopened in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.

Section 3.4.4.3 — Bid Opening and Award

Bids shall be opened publicly. All bids received shall be recorded on an abstract (tabulation) of bids, and then made available for public inspection. If equal low bids are received from responsible bidders, selection shall be made by drawing lots or other similar random method. The method for choosing between similar bids shall be stated in the IFB. If only one responsive bid is received from a responsible bidder, award shall not be made unless the price can be determined to be reasonable, based on a cost or price analysis.

Section 3.4.4.4 — Mistakes in Bids

Correction or withdrawal of bids may be permitted, where appropriate, before bid opening by written or telegraphic notice received in the office designated in the IFB prior to the time set for bid opening. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake of a non-prejudicial character was made, the nature of the mistake made, and the bid price actually intended. A low bidder alleging a nonjudgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made. All decisions to allow correction or withdrawal of a bid shall be supported by a written determination signed by the Contracting Officer. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of the Agency or fair competition shall not be permitted.

Section 3.4.4.5 — Rejection of Bids

The Agency may reject any bid in its reasonable discretion. Rejection of any bid during the evaluation process shall be fully documented, including the reasons for the rejection.

Section 3.4.5 — Competitive Proposals/Request for Proposals for Non-Federal Funds

The procedure set forth in this Section applies to procurement of contracts of more than \$150,000 that do not utilize federal funds. Unlike Sealed Bidding, the Competitive Proposal method permits:

- Consideration of technical factors other than price;
- Discussion with offerors concerning offers submitted;

- Negotiation of contract price or estimated cost and other contract terms and conditions;
- Revision of proposals before the final contractor selection; and,
- The withdrawal of an offer at any time up until the point of award.

An award is normally made on the basis of the proposal that represents the best overall value to the Agency, considering price and other factors (e.g., technical expertise, past experience, quality of proposed staffing, etc.) set forth in the solicitation and not solely the lowest price. This procedure is appropriate when the Agency desires to evaluate offerors on more than price.

Section 3.4.5.1 — Conditions for Use

Where conditions are not appropriate for the use of Sealed Bidding, Competitive Proposals may be used. Competitive Proposals are the preferred method for procuring professional services that will exceed the Small Purchase threshold.

Section 3.4.5.2 — Form of Solicitation

The RFP shall be in writing and include a statement of work, submission requirements, pricing instructions, the time and place of any pre-proposal conference, and any required forms. The RFP shall clearly identify all evaluation factors and their relative importance. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals until after award. The Agency may assign price with a specific weight in the evaluation criteria or may consider price in conjunction with technical factors; in either case the, the method for evaluating price shall be established in the RFP.

Section 3.4.5.2 — Evaluation

The proposals shall be evaluated only on the criteria stated in the RFP. Where not apparent from the evaluation criteria, the Agency shall establish an Evaluation Plan for each RFP. Generally, all RFPs shall be evaluated by an appropriately appointed Evaluation Committee. The Evaluation Committee shall be required to disclose any potential conflicts of interest and to sign a Non-Disclosure statement. An Evaluation Report, summarizing the results of the evaluation, shall be prepared prior to award of a contract.

Section 3.4.5.3 — Negotiations

The Agency may negotiate the terms of the contract with the highest ranked respondent or may award the contract without further negotiation. If the Agency and the highest ranked respondent fail to agree on a contract terms, the Agency may reject the proposal and enter into negotiations with the next highest-ranked respondent.

Section 3.4.5.4 — Award

~~Contracts shall be awarded in accordance with the terms of the solicitation. After evaluation of the revised proposals, if any, the contract shall be awarded to the responsible firm whose proposal is most advantageous to the Agency.~~

Section 3.4.6 — Request for Qualifications/Qualification Based Selections for Non-Federal Funds

~~The Agency must contract for A/E services using Qualification Based Selection ("QBS") procedures, utilizing a Request for Qualifications ("RFQ"). Sealed Bidding shall not be used for A/E solicitations. Under QBS procedures, competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. QBS procedures shall not be used to purchase other types of services, though architectural/engineering firms are potential sources.~~

Section 3.4.7 — Non-competitive Proposals

Section 3.4.7.1 — Conditions for Use

~~The procedure set forth in this Section applies to procurement of contracts that do not utilize federal funds. Procurement by Non-competitive Proposals (sole source) may be used only when the award of a contract is infeasible using Small Purchase Procedures, Sealed Bidding, cooperative purchasing, or Competitive Proposals, and if one of the following applies:~~

- ~~9. The item is available only from a single source, based on a good faith review of available sources;~~
- ~~10. An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the public. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any of the other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary simply to meet the emergency;~~
- ~~11. After solicitation of a number of sources, competition is determined inadequate.~~

Section 3.4.7.2 — Justification

~~Each procurement based on Non-competitive Proposals shall be supported by a written justification for the selection of this method. The justification shall be approved in writing by the Executive Director or Deputy Director, and/or their designee. Poor planning or lack of planning is not justification for emergency or sole-source procurements. The justification, to be included in the contract file, should include the following information:~~

- ~~12. Description of the procurement need;~~
- ~~13. Statement as to the unique circumstances that require award by Non-competitive Proposals;~~

14. Description of the efforts made to find competitive sources (advertisement in trade journals or local publications, phone calls to local suppliers, issuance of a written solicitation, etc.);
15. Statement as to efforts that will be taken in the future to promote competition for the requirement;
16. Signature by the Executive Director or Deputy Director, and/or their designee; and
17. Price Reasonableness. The reasonableness of the price for all procurements based on Non-competitive Proposals shall be determined by performing a cost or price analysis, as described in this Policy.

Section 3.5 ~~Contract Modifications~~

A cost analysis, consistent with federal guidelines, shall be conducted for all contract modifications for projects that were funded by federal sources and procured through Sealed Bidding, Competitive Proposals, Non-competitive Proposals, or for projects originally procured through Small Purchase Procedures if the amount of the contract modification will result in a total contract price in excess of the Simplified Acquisition Threshold.

Section 3.64 Cooperative Purchasing/Intergovernmental/Piggyback Agreements

The Agency may enter into State and/or local cooperative or intergovernmental agreements (a so-called "piggyback contract") to purchase or use common ~~or shared~~ supplies, equipment, goods or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the interagency/inter-governmental agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The Agency may use Federal or State excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs. The goods and services obtained under a cooperative purchasing agreement must have been procured in accordance with 2 CFR Part 200 or must be services provided by a governmental agency in its regular course of business.

Section 3.5 Contract Modifications

Price reasonableness shall be determined for all contract modifications. A cost analysis should be completed if the amount of the contract modification will result in a total contract price in excess of the SAT.

Article 4 **Solicitation and Advertising**

Section 4.1 Method of Solicitation Time Period

~~The Method of Solicitation procedures is applicable to procurements utilizing either federal or non-federal funds, unless otherwise stated in the applicable section.~~

Section 4.1.1 — Petty Cash and Micro Purchases

~~The Agency may contact only one source if the price is considered reasonable.~~

Section 4.1.2 — Small Purchases

~~Quotes may~~ Formal Invitation for Bids and Request for Proposal or Qualification must be solicited ~~orally,~~ through fax, email, or by any other reasonable method.

Section 4.1.3 — Sealed Bids and Competitive Proposals

~~Solicitation must be done publicly. The Agency must use one or more following solicitation methods, provided that the method employed provides for meaningful competition.~~

~~18. Advertising in newspapers or other print media of local or general circulation;~~

~~19. Advertising in various trade journals or publications (for construction); or~~

20. E-Procurement. The Agency may conduct its public procurements through for a period sufficient to achieve effective competition, which, in the Internet using e-procurement systems. However, all e-procurements must otherwise be in compliance with 2 CFR Part 200, State and local requirements, and the Authority's Procurement Policy.

Section 4.2 — Time Frame

~~For purchases exceeding the Small Purchase Threshold, the public notice should case of paid advertisements, should generally be run not less than once each week for two consecutive weeks. -The Executive Director or Contracting Officer may allow for a shorter period under appropriate circumstances.~~

Section 4.32 — Form of Solicitation

Notices and advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, a contact person who can provide a copy of, and information about, the solicitation, and a brief description of the needed items(s).

Section 4.4 — Time Period for Submission of Bids

~~A minimum of 30 days shall generally be provided for preparation and submission of sealed bids and 15 days for competitive proposals. However, the Executive Director or Contracting Officer may allow for a shorter period under extraordinary circumstances.~~

Section 4.53 Cancellation of Solicitations

An IFB, RFP, or other solicitation may be cancelled ~~before bids/offers are due if:~~

1. The supplies, services or construction is no longer required;
2. The funds needed to pay for the supplies or services solicited are no longer available;
- ~~3.1. Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best; or~~
- ~~4.1. Other similar reasons.~~

~~A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if:~~

- ~~1. The supplies or services (including construction) are no longer required;~~
- ~~2.3. Ambiguous or otherwise inadequate specifications were part of the solicitation;~~
- ~~3.4. All factors of significance to the Agency were not considered;~~
- ~~4.5. Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds; or~~
- ~~5.6. There is reason to believe that bids or proposals may not have been independently determined in open competition, may have been collusive, or may have been submitted in bad faith; or~~
- ~~6. For good cause of a similar nature when it is in the best interest of the Agency.~~
- ~~7. Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best; or~~
- ~~8. Other similar reasons.~~

The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request.

A notice of cancellation shall be sent to all bidders/~~offerers~~proposers solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any re-solicitation or future procurement of similar items.

~~If all otherwise acceptable bids received in response to an IFB are at unreasonable prices, an analysis should be conducted to determine if there is a problem in either the specifications or the Agency's cost estimate. If both are determined adequate and if only one bid is received and the price is unreasonable, the Contracting Officer may cancel the solicitation and either:~~

- ~~7. Re solicit using an RFP; or~~

8. ~~Complete the procurement by using the Competitive Proposal method. The Contracting Officer must determine, in writing, that such action is appropriate, must inform all bidders of the Agency's intent to negotiate, and must give each bidder a reasonable opportunity to negotiate.~~

~~If problems are found with the specifications, the Agency should cancel the solicitation, revise the specifications and re-solicit using an IFB.~~

Section 4.6 Credit (or Purchasing) Cards

~~Credit card usage should follow the rules for all other Small and Micro Purchases. For example, the Contracting Officer may use a credit card for Micro Purchases without obtaining additional quotes provided the price is considered reasonable. However, for amounts above the Micro Purchase level, the Contracting Officer would generally need to have obtained a reasonable number of quotes before purchasing via a credit card.~~

~~When using credit cards, the Agency should adopt reasonable safeguards to assure that they are used only for intended purposes (for instance, limiting the types of purchases or the amount of purchases that are permitted with credit cards). The Agency shall establish and enforce a written policy for Agency credit card usage.~~

Article 5 Bonding Requirements

~~The standards under this section apply to construction contracts that exceed the Simplified Acquisition Threshold of \$25,000. There are no bonding requirements for small/micro purchases or for competitive proposals. The Agency may require bonds for small purchases or competitive proposals when deemed appropriate; however, non-construction contracts should generally not require bid bonds.~~

~~For construction contracts exceeding \$25,000, offerors shall bidders may be required to submit a bid guarantee from each bidder equivalent to 5% of the bid price. or when required by the applicable federal standards, HUD regulations, state, and local laws.~~

Section 5.1 Assurances of Completion

For construction contracts exceeding \$150,000, the successful bidder shall furnish an assurance of completion. This assurance may be any one of the following four:

1. A performance and payment bond in a penal sum of 100% of the contract price; or
2. Separate performance and payment bonds, each for 50 % or more of the contract price; or
3. A 20 % cash escrow; or
4. A 25 % irrevocable letter of credit.

Section 5.2 Bond Obtainment

Bonds must be obtained from guarantee or surety companies acceptable to the U. S. Government and authorized to do business in the State where the work is to be performed. Individual sureties shall not be considered. U. S. Treasury Circular Number 570 lists companies approved to act as sureties on bonds securing Government contracts, the maximum underwriting limits on each contract bonded, and the [States](#) in which the company is licensed to do business. Use of companies on this circular, or successors thereto, is mandatory.

Article 6 ~~Contractor~~Bidder Qualifications and Duties

Section 6.1 ~~Contractor~~Bidder Responsibility

The Agency shall not award any contract until the prospective ~~contractor~~bidder, (i.e., low responsive bidder, or successful ~~offeror~~proposer), has been determined to be responsible. A responsible bidder/~~offeror~~proposer must:

- Have adequate financial resources to perform the contract, or the ability to obtain them;
- ~~Be able to~~Provide adequate assurances that it can comply with the required or proposed delivery or performance schedule, taking into consideration all the bidder's/~~offeror's~~proposer's existing ~~commercial and governmental~~ business commitments;
- Have a satisfactory performance record;
- Have ~~a satisfactory~~no record of ~~integrity and unethical~~ business ~~ethics~~practices;
- Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;
- Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and,
- Have all licenses required to perform the contract directly and/or with the assistant of a subcontractor as permitted under law and the procurement documents
- Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including applicable licensing and State or local boards or agencies. The bidder/~~offeror~~proposer and all subcontractors must not be suspended, debarred ~~or under any~~ HUD ~~imposed Limited Denial of Participation (LDP).~~ or any other Federal or State agencies.

If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.

Section 6.2 ~~Suspension and Debarment~~

~~Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined to be ineligible by HUD or by other Federal agencies (e.g., Department of Labor for violation of labor regulations) when necessary to protect the Agency in its business dealings.~~

Section 6.3 Vendor Lists

All interested businesses shall be given the opportunity to be included on vendor mailing [or email](#) lists. Any lists of persons, firms, or products which are used in the purchase of supplies and services (including construction) shall be kept current and include enough sources to ensure competition.

Article 7 Contracting

Section 7.1 Contract Types

Any type of contract that is appropriate for the procurement and will promote the best interests of the Agency may be used. In selecting a contract type, the Contracting Officer should consider the fairness of competition, type and complexity of the contract, urgency and need of the Agency, period of performance, the contractor's technical capability, financial responsibility and accounting systems, any subcontracting and the procurement history. [The contract must include a ceiling price that the contractor exceeds at its own risk.](#)

~~If federal funds are utilized in the procurement, the cost plus a percentage of cost and percentage of construction cost methods may not be used, and all solicitations and contracts shall include the clauses and provisions necessary to define the rights and responsibilities of both the contractor and Agency.~~

Section 7.2 Options

Options for additional quantities or performance periods may be included in contracts, provided that:

- The option is contained in the solicitation;
- The option is a unilateral right of the Agency;
- The contract states a limit on the additional quantities and the overall term of the contract;
- The options are evaluated as part of the initial competition;
- The contract states the period within which the options may be exercised;
- The options may be exercised only at the price specified in or reasonably determinable from the contract; and
- The options may be exercised only if determined to be more advantageous to the Agency than conducting a new procurement.

Article 8 Contract Clauses

All contracts should identify the contract pricing arrangement as well as other pertinent terms and conditions, as determined by the Agency.

Additionally all federally funded contracts shall include contract language required by the HUD Procurement Regulations including, but not limited to, applicable contract provisions in 2 CFR Part 200, Appendix II, Forms HUD-5369, 5369-A, 5369-B, 5369, 5370, 5370-C, and 51915-A, as well as any forms/clauses as required by HUD for Small Purchases. The Agency shall select the applicable versions of one or more of the corresponding forms for such solicitations and contracts.

If the agreement template is included in the procurement document or the procurement document contains the terms that shall be included in the agreement between the agency and contractor, the bidder/proposer shall be presumed to have accepted the material terms of such agreement or agreement terms. The agency shall not make material revisions to this agreement or agreement term that would alter the contract price, services, or risk provisions, including indemnity and insurance requirements.

Article 9 Contract Administration

The Agency shall maintain a system of contract administration designed to ensure that contractors perform in accordance with their contracts. These systems shall provide for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts, and similar matters. For cost-reimbursement contracts that are funded by federal sources, costs are allowable only to the extent that they are consistent with the applicable cost principles referenced in HUD Handbook 2210.18.

In the event of a dispute over costs, the Agency may request the right to audit the contractor's books and records pertinent to such costs. Profits shall be analyzed separately based on factors such as the complexity and risk of the work involved, the contractor's investment and productivity, the amount of subcontracting, the quality of past performance and industry profit rates in the area for similar work.

Article 10 Specifications

Section 10.1 General

All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying ~~Agency~~ the Agency's needs. Specifications shall be reviewed prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Function or performance specifications are preferred. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase.

Section 10.2 Contents

The statement of work will vary with the nature, purpose, size and complexity of the work procured. However, each statement of work should generally include: (i) detailed work and task requirements, (ii) end results and deliverables, including the criteria which a deliverable must meet to be considered acceptable, (iii) delivery schedules or period of performance, (iv) any reporting or compliance requirements, (v) a precise statement of the objectives, and (vi) other special considerations, including warranties, necessary classifications or licenses, procedural safeguards, testing procedures, etc.

Section 10.3 Limitations

The following types of specifications shall be avoided:

- Detailed product specifications;
- Geographic restrictions not mandated or encouraged by applicable Federal law (except for A/E contracts, which may include geographic location as a selection factor if adequate competition is available);
- Brand name specifications (unless the specifications list the minimum essential characteristics and standards or an "or equal" designation to which the item must conform to satisfy its intended use).

Nothing in this procurement policy shall preempt any State licensing laws. Specifications shall be reviewed to ensure that organizational conflicts of interest do not occur. Contractors retained by the Agency to develop or draft specifications or statements of work, shall be excluded from competing in the procurement.

Article 11 Appeals and Remedies

Section 11.1 General

It is Agency policy to resolve all contractual issues informally and without litigation. Disputes will not be referred to HUD unless all administrative remedies have been exhausted. When appropriate, a mediator may be used to help resolve differences.

Section 11.2 ~~Informal Appeals Procedure~~

~~The Agency shall adopt an informal bid protest/appeal procedure for solicitations and contracts valued at or below the Simplified Acquisition Threshold. Under these procedures, the bidder/contractor may request to meet with the appropriate Contracting Officer.~~

Section 11.3 ~~Formal Appeals Procedure~~

~~A formal appeals procedure shall be established for solicitations and contracts valued above the Simplified Acquisition Threshold.~~

Section 11.3.1 — Bid Protest/Appeals

Any actual or prospective contractor may protest or appeal the solicitation or award of a contract for material violations of the procedures contained in this Policy. Mere disagreement with an award recommendation does not constitute proper grounds to protest/appeal. Any protest/appeal against a solicitation must be received before the due date for the receipt of bids or proposals, and any protest/appeal against the award of a contract must be received within ten (10) calendar days after the contract receives notice of the contract award, or the protest/appeal will not be considered. All bid protests/appeals shall be in writing, submitted to the Contracting Officer or designee, who shall issue a written decision on the matter. The Contracting Officer may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant.

Section 11.3.2 — Contractor Claims

All claims by a contractor relating to performance of a contract shall be submitted in writing within 14 days to the Contracting Officer for a written decision. The contractor may request a conference on the claim. The Contracting Officer's decision shall inform the contractor of his/her rights to appeal to the next highest level of authority within the Agency. For procurements utilizing federal funds, contractor claims shall be governed by the Changes clause in the form HUD-5370.

Section 11.3.34 — Notification and Review by HUD

The Agency will notify HUD of disputes arising out of procurement implicating federal funds, but only when required by the HUD Regulations. Consistent with the HUD Regulations, HUD will not review any disputes unless they arise out of violations of federal law or regulations, or violations of this protest and dispute procedure.

Article 12 Assistance to Small and Other Businesses

Section 12.1 Required Efforts

~~The Agency will take affirmative steps Consistent with Presidential Executive Orders 11625, 12138 and encourage the use of 12432, Title VI of Small Businesses, Minority Owned Businesses, Women's Business Enterprises, Labor Surplus Area Businesses, the Civil Rights Act of 1968, and Section 3 Business Concerns and other of the Housing and Urban Development Act of 1968, as amended, the Agency shall make efforts to ensure that small, minority-owned and woman- owned business enterprises, labor surplus area businesses, and individuals or firms located in, or owned in substantial part by persons residing in, the area of the Agency project a Fresno Housing public housing development are used when possible, and shall enact an administrative regulation setting forth the same. Affirmative steps. Such efforts may include: placing~~

1. Including such firms, when qualified businesses, on solicitation mailing lists;
2. Encouraging the participation of such firms through direct solicitation when such businesses of bids or proposals whenever they are potential sources; dividing contracts or solicitations
3. Dividing total requirements, when economically feasible; establishing, into smaller tasks or quantities to permit maximum participation by such firms;
4. Establishing delivery schedules to, where the requirement permits, which encourage participation; by such firms;
5. Using the services and using outside resources offered by the Small Business Commerce, U.S. assistance of the Small Business Administration, and the Minority Business local Community Development Agency of the U.S. Department Financial Institutions (CDFIs), Economic Development Corporation, Chamber of Commerce. Contractors, or other similar organizations
6. Including in all contracts funded from sources covered by Section 3, the Section 3 clause prescribed at 24 CFR 135.38, which sets forth Section 3 preference requirements and compliance goals for employment and training of public housing residents and for contracting and subcontracting with businesses owned by public housing residents or which otherwise meet the criteria of a Section 3 business concern. Pursuant to 24 CFR 135.36, efforts shall be required to take the affirmative steps enacted in the administrative regulation directed to award Section 3 covered contracts, to the greatest extent feasible, to Section 3 business concerns.
7. Requiring general contractors, when subcontracting is anticipated. The administrative regulation may also set forth goals for participation by Small Businesses, Minority Owned Businesses, Women's Business Enterprises, Labor Surplus Area Businesses, and Section 3 Business Concerns, to take the positive steps listed in Agency contracts and subcontracting opportunities. 1 through 6 above.

Section 12.2 Definitions of Small and Other Businesses

- A small business is defined as a business that is: independently owned; not dominant in its field of operation; and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR Part 121 should be used to determine business size.
- A minority-owned business is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans, and Hasidic Jewish Americans.

- A women's business enterprise is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.
- "Section 3 business concern" is as defined under 24 CFR Part 135.5.
- A labor surplus area business is defined as a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or underemployment, as defined by the Department of Labor in 20 CFR Part 654, Subpart A, and in the list of labor surplus areas published by the Employment and Training Administration.

Article 13 Board Approval of Procurement Actions

~~Other than approval of this~~ This Procurement Policy, as stated within this document will only be amended through resolution and approval by the Board of Commissioners ~~is not required for non real estate or construction related procurement actions, as permitted under State and local law. Rather, it is the responsibility of the Executive Director to make sure. The Board of Commissioners shall approve through resolution all contracts that all procurement actions are conducted in accordance with the policies contained herein and that adequate funds are available.~~

Article 14 ~~exceed the Board-approved Delegation of Contracting Purchasing Authority~~

~~While the Executive Director is responsible for ensuring that the Agency's procurements comply with this Policy, the~~ The Executive Director/CEO may delegate all procurement authority as is necessary and appropriate to conduct the business of the Agency.

~~Further, and in accordance with this delegation of authority, the Executive Director shall, where necessary, establish operational procedures (such as a procurement manual or standard operating procedures) to implement this impose any requirements not inconsistent with this Procurement Policy. The Executive Director shall also establish a system of sanctions for violations of the ethical standards described in this policy, consistent with Federal, State, or local law.~~

Article 15 ~~Documentation~~

~~The Agency must maintain financial records and supporting documents sufficient to detail the significant history of each procurement action. These records shall include, but shall not necessarily be limited to, the following:~~

- ~~— Rationale for the method of procurement (unless self evident from other documentation);~~
- ~~— Rationale of contract pricing arrangement (unless self evident from other documentation);~~

- ~~— Reason for accepting or rejecting the bids or offers;~~
- ~~— Basis for the contract price;~~
- ~~— A copy of the contract documents awarded or issued by the Agency;~~
- ~~— If any contract modifications occur, the basis for such modifications and the price or cost analysis prepared justifying the modification; and~~
- ~~— Related contract administration actions.~~

~~The level of documentation should be commensurate with the value of the procurement.~~

~~Records are to be retained for a period of three years after final payment and all matters pertaining to the contract are closed.~~

Article 16 ~~14~~ **Disposition of Surplus Property**

Property, other than real property, that is no longer necessary for the Agency's purposes shall be transferred, sold, or disposed of in accordance with applicable Federal, ~~state~~[State](#), and local laws and regulations.

Article 17 ~~Funding Availability~~ **15** Exclusions

~~Before initiating any contract, the Agency shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.~~

This Policy does not apply to procurement activities funded using non-program income or the following activities: direct payments for postage, licenses, permits, purchases from other government agencies or non-profits where the agency provides goods or services not available in the private sector, travel expenses, food costs, conferences, professional association fees, stipends, public transportation, parking fees, publications, advertisements for employment, or solicitation notices. Furthermore, this Policy does not govern purchases, sales, or transactions of real property, loan transactions and related documents, employment contracts, limited partnership agreements, administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 voucher program, the execution of landlord Housing Assistance Payment (HAP) contracts under that program, or contracts signed on behalf of an affiliate entity, instrumentality, or as a fiscal or management agent acting on behalf of another entity.

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Agency Procurement Policy

Article 1 General Provisions

Section 1.1 Purpose

The purpose of this Procurement Policy is to establish a broad framework of policies and guidelines to ensure that the Fresno Housing Authority's (the "Agency") purchasing and contracting functions promote administrative flexibility and efficiency, while at the same time maintaining prudent internal controls and compliance with applicable statutes and regulations. The Agency shall maintain a procurement system of quality and integrity that (i) provides for the fair and equitable treatment of all persons or firms involved in purchasing with the Agency, (ii) ensures that supplies and services are procured efficiently, effectively, and at the most favorable prices available, (iii) promotes competition in contracting, and (iv) assures that the Agency's purchasing actions are in full compliance with applicable federal standards, HUD regulations, State, and local laws.

Section 1.2 Compliance with Laws and Regulations

This Policy is intended to comply with the Annual Contributions Contract ("ACC") between the Agency and the U.S. Department of Housing and Urban Development ("HUD"), applicable Federal Regulations, the procurement standards of the HUD Procurement Handbook for Public Housing Agencies, HUD Handbook 7460.8 Rev 2, 2 CFR part 200, and applicable State and local laws including California Labor Code section 1720-1861 *(Public Works), California Public Contracts Code, California Government Code, Title 2 of the California Code of Regulations section 18700 *et seq.*, (Conflicts of Interest), Title 8 of the California Code of Regulation section 16000-16403 (Payment of Prevailing Wages upon Public Works).

Section 1.3 Change in Law

In the event a law or regulation applicable to this Policy is modified or eliminated, or a new such law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with this Policy, automatically supersede the inconsistent provision(s) of this Policy.

Section 1.4 Definitions

The term "procurement," as used in this Policy, includes the procuring, purchasing, leasing, or renting of:

- Goods, supplies, equipment, and materials;
- Construction and maintenance services;
- Consultant services;
- Architectural and Engineering ("A/E") services;

- Social Services; and
- Other services.

Section 1.5 Applications

This Policy applies to all procurement actions of the Agency, regardless of the source of funds, except those procurement actions identified in “Exclusions” as identified in Article 15.

Section 1.5.1 Applicability of Funding Sources

The Agency is eligible to receive funds from federal, non-federal, and private funding sources. As such, the Agency shall comply with any funding source requirements and all applicable laws and regulations without imposing a higher standard than is necessary to ensure compliance. Nothing in this Policy shall prevent the Agency from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with applicable law.

When both HUD and non-Federal funds are used for a project, the work to be accomplished should be separately identified prior to procurement so that appropriate requirements can be applied, if necessary. If it is not possible to separate the funds, HUD procurement regulations shall be applied to the total project. If funds and work can be separated and work can be completed by a new contract, then regulations applicable to the source of funding shall then be followed.

Section 1.6 Public Access to Procurement Information

Procurement information is a matter of public record and shall be available unless exempt from disclosure under the California Public Records Act (California Government Code §6250 et seq.) or other applicable requirements.

Article 2 Ethics in Public Contracting

Section 2.1 General

The Agency hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. To the best of the Agency’s knowledge, this code of conduct is consistent with applicable Federal, State, and local law.

Section 2.2 Conflicts of Interest

No officer, employee or agent shall participate in any decision related to the selection, award or administration of contracts if that individual has a prohibited conflict of interest arising from California’s

conflict of interest laws, including those set forth in the Political Reform Act (Government Code sections 81000 – 91014) and its implementing regulations. (2 Cal. Code of Regs. §§ 18110 – 18997)

No officer, employee or agent shall participate in any decision related to the selection, award, or administration of a contract supported by a Federal award if he or she has a conflict of interest, real or apparent. Such a conflict of interest would arise when the employee, officer, or agent, any members of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. (2 CFR 200.318(c)(1)).

This section is further supplemented by the Agency’s Conflict of Interest Code and Policy.

Section 2.3 Gratuities, Kickbacks, and Use of Confidential Information

No officer, employee, Board member, or agent of the Agency shall ask for or accept gratuities, favors, or anything of monetary value from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain or actual or anticipated personal gain of any other person. Individuals shall refer to the Agency’s Conflict of Interest Policy for specific guidance regarding the acceptance of gratuities, favors, gifts and other similar items.

Section 2.4 Prohibition Against Contingent Fees

Contractors wanting to do business with the Agency must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies or where permissible by law.

Section 2.5 Prohibition Against Bid Splitting and Piecemealing

The Agency shall not split or piecemeal one purchase into multiple purchases that are less than the applicable threshold merely to avoid any requirements that apply to purchases that exceed those thresholds. However, larger requirements may be broken into smaller ones to afford small and minority businesses the opportunity to participate in the Agency’s procurements, or to comply with applicable funding source requirements.

Article 3 Procurement Administration

Section 3.1 General

All procurement actions shall be administered by the Contracting Officer, who shall be the Executive Director “ED”, President, CEO or other individual he or she has authorized in writing. The Contracting

Officer shall issue procurement procedures to implement this Policy, which shall be based on the sources identified in Section 1.2 of this Policy.

The Contracting Officer shall ensure that:

1. Procurement requirements are subject to regular planning processes to assure efficient and economical purchasing;
2. Contracts and modifications are in writing, clearly specifying the desired supplies, services and construction, and are supported by sufficient documentation regarding the history of the procurement, including as a minimum the method of procurement chosen, the selection of the contract type, the rationale for selecting or rejecting offers, and the basis for the contract price;
3. Solicitation and notice requirements are conducted in full compliance with all applicable laws and regulations, including requirements set forth by individual funding sources;
4. Contract award is made to the Responsive and Responsible bidder offering the lowest price (for sealed bid contracts) or contract award is made to the proposer whose proposal offers the Best Value to the Agency, considering price (except for those Competitive Proposals made by RFQ, as defined below), technical, and other factors as specified in the solicitation (for contracts awarded based on competitive proposals); unsuccessful firms are notified within the time period required by the applicable law after contract award;
5. There are sufficient unencumbered funds available to cover the anticipated cost of each procurement before contract award or modification (including change orders), work is inspected before payment, and payment is made promptly for contract work performed and accepted; and
6. The Agency complies with applicable requirements as provided in the procurement procedures supplementing this Policy.

Section 3.2 Ensuring Reasonable Costs

Before initiating any contract, the Agency shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.

The Agency shall require assurance, before entering into a contract, that the price is reasonable based on competition in the market. In evaluating responses to solicitations, the Agency shall ensure price reasonableness with every procurement action, including contract modifications. The method and degree of analysis depends on the facts surrounding the particular procurement situation, and the level of detail shall be commensurate with the cost and complexity of the item to be purchased. Cost reasonableness may be established by:

- an independent cost estimate, which is prepared before solicitation issuance and is appropriately safeguarded for each procurement;

- a cost or price analysis, which is conducted when the responses are received for all procurements; or
- other reasonable and prudent means of ensuring price reasonableness, including, without limitation, securing multiple bids, comparing costs or prices with those paid by other public agencies for similar services or supplies, or comparing costs or prices with previous contracting costs for similar services or supplies.

Section 3.3 Procurement Methods

Section 3.3.1 Petty Cash Purchases

Purchases under \$100 may be handled through the use of a Petty Cash Account. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period, e.g., one month. For all Petty Cash Accounts, the Agency shall ensure that security is maintained and only authorized individuals have access to the account. These accounts should be reconciled and replenished periodically.

Section 3.3.2 Single Quote: Micro Purchases

Purchases that do not exceed the Micro Purchase Threshold may be made after obtaining one price quotation, if the price is considered reasonable. Vendor catalogs, as well as previous purchases, where applicable, of the same or similar item may be considered in determining price reasonableness. To the extent practicable, Micro Purchases must be distributed equitably among qualified sources.

Section 3.3.3 Multiple Quotes: Small Purchases & Simplified Acquisition Threshold (SAT)

For purchases that exceed the Micro Purchase Threshold, the Agency must obtain multiple quotes. The Agency should solicit and attempt to receive a minimum of three quotes from qualified sources. Quotes may be obtained orally (either in person or by phone), by fax, email, in writing, or through e-procurement or similar software. An award shall be made to the qualified vendor that provides the best value to the Agency. If an award is to be made for reasons other than lowest price or three quotes cannot be obtained, documentation of those reasons shall be provided in the contract file.

Section 3.3.4 Sealed Bids/Invitations for Bids

Sealed Bidding is a formally advertised and competitive selection process used to obtain contracts for goods and services awarded on the basis of lowest bid. Under sealed bids, the Agency publicly solicits bids and awards a firm fixed-price contract (lump sum or unit price) to the responsible bidder whose bid, conforming with all the materials terms and conditions, is the lowest in price. Sealed Bidding shall be used

for all contracts that exceed the Small Purchase threshold and that are not Competitive Proposals or Non-competitive Proposals.

Section 3.3.4.1 Conditions for Using Sealed Bids

The Agency may use Sealed Bidding if the following conditions are present:

- A complete, adequate, and realistic statement of work, specification, or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the work;
- The contract can be awarded in writing based on a firm fixed price; and,
- The contract will be awarded to the lowest priced responsive and responsible bidder.

If all four of the above criteria are not met, the Agency should consider using Competitive Proposals using a Request For Proposal.

Section 3.3.4.2 Solicitation and Receipt of Bids

Under the Sealed Invitation for Bids ("IFB") process, the Agency shall include the specifications and all contractual terms and conditions applicable to the procurement. The Agency must use one or more following solicitation methods, provided that the method employed provides for meaningful competition.

- Advertising in newspapers or other print media of local or general circulation;
- Advertising in various trade journals or publications (for construction); or
- E- Procurement. The Agency may conduct its public procurements through the Internet using e-procurement systems.

The IFB shall state the time and place for both the receiving of bids and the public opening of those bids. The bids submitted must be sealed. Bids submitted that are not sealed will either not be accepted or determined to be non-responsive. All bids received will be date and time-stamped and stored unopened in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.

Section 3.3.4.3 Bid Opening and Award

Bids shall be opened publicly and in the presence of at least one witness. All bids received shall be recorded on an abstract (tabulation) of bids, and then made available for public inspection. If equally low bids are received from responsible bidders, selection shall be made by drawing lots or other similar random method. The method for choosing between similar bids shall be stated in the invitation for bids. If only one responsive bid is received from a responsible bidder, the award shall not be made unless the agency determines the price to be reasonable.

Section 3.3.4.4 Mistakes in Bids

Correction or withdrawal of bids may be permitted, where appropriate, prior to the time set for bid opening by written or telephonic notice received in the office designated in the IFB. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake that is non-prejudicial to the agency was made, objective evidence of the nature of the mistake made, and the bid price actually intended. A non-prejudicial mistake is one that will not have a material impact on the budget, service or risk allocation of the project or service. A low bidder alleging a nonprejudicial mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made. All decisions to allow correction or withdrawal of a bid shall be supported by a written determination signed by the Contracting Officer. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of the Agency or fair competition shall not be permitted.

Section 3.3.5 Competitive Proposals

Formal competitive proposals are the preferred method for procuring professional services that will exceed the Small Purchase and SAT threshold, and where conditions are not appropriate for the use of sealed bidding for awards based on lowest cost. Awards for competitive proposals are normally made on the basis of the proposal that represents the best overall value to the Agency, considering price and other factors set forth in the solicitation.

Section 3.3.5.1 Conditions for Use

When the Contracting Officer determines in his or her reasonable judgment that conditions are not appropriate for the use of Sealed Bidding, Competitive Proposals may be used. The Competitive Proposal method permits:

- Consideration of technical factors other than price (although price is one of the factors considered in the evaluation of an RFP);
- Discussion with proposers concerning offers submitted;
- Negotiation of contract price or estimated cost and other contract terms and conditions;
- Revision of proposals before the final contractor selection; and,
- The withdrawal of an offer at any time up until the point of award.

Section 3.3.5.2 Solicitation and Receipt of Proposals

Competitive proposals shall be solicited through a "request for proposals" (RFP) or a "request for qualifications" (RFQ). Solicitation must be done publicly. The Agency must use one or more following solicitation methods, provided that the method employed provides for meaningful competition.

- Advertising in newspapers or other print media of local or general circulation;
- Advertising in various trade journals or publications (for construction); or
- E- Procurement. The Agency may conduct its public procurements through the Internet using e-procurement systems.

The competitive proposal shall clearly identify the relative importance of price (except an RFQ which shall not consider price) and other evaluation factors and sub factors, including the weight given to each. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established before the solicitation is issued. Proposals shall be handled so as to prevent disclosure of the number of proposers, the identity of the proposers, and the contents of their proposals.

Section 3.3.5.3 Evaluation

The proposals shall be evaluated using the criteria stated in the RFP or RFQ by an appointed Evaluation Committee, which may include staff with knowledge and experience of the goods or services being procured, as well as outside stakeholders when appropriate. The Evaluation Committee shall be required to disclose any potential conflicts of interest and may be asked to sign a Non-Disclosure statement. During the evaluation, the Agency may establish a competitive range by identifying proposals that have a reasonable chance of being awarded a contract.

Section 3.3.5.4 Negotiations with Request for Proposals (RFP)

The proposals shall be evaluated, rated and ranked in accordance with the technical and price factors specified in the RFP. If based on the initial evaluation, the Evaluation Committee determines there is a clear winning proposal (or multiple winning proposals), the Agency may award the contract accordingly.

If, after the initial evaluation of proposals, the Agency determines there is no clear winning proposal, negotiations shall be commenced as set forth in this section. The Agency reserves the right to determine the scope and extent of the negotiations, and may include the following steps:

1. Initial Discussions: The Contracting Officer, or their designee, may conduct discussions with responsible proposers whose proposals have a reasonable chance of being selected for award. These discussions are intended to maximize the Agency's ability to obtain Best Value and will be tailored to each proposer's proposal. The scope of discussions may include a proposal's weaknesses and deficiencies that could, in the opinion of the Contracting Officer, be altered or better explained to materially enhance the proposer's potential for award. The scope of discussions may also include the proposal's price, schedule, technical approach, and contract terms, as well as an proposer's prior contract performance. "Auctioning" (revealing one proposer's price in an attempt to get another proposer to lower their price) is prohibited.

2. Determination of Competitive Range: After initial evaluations and negotiations are complete, the evaluation panel may re-evaluate proposals based on the initial discussions and solicitation criteria, and re-determine the range of competitive scores.
3. Best and Final Offers (BAFOs): All proposers with scores within the competitive range following discussions shall be provided an opportunity to revise and/or clarify their proposals, including price, by submitting a BAFO. A common deadline for receipt of BAFOs shall be established. BAFOs shall be evaluated by an evaluation panel in essentially the same manner as the initial evaluation of the proposals. The Contracting Officer shall ensure that a full evaluation of BAFOs is conducted sufficient to support an award decision based on best value to the agency. While BAFOs are usually requested once during the procurement process, in exceptional circumstances, the Contracting Officer may determine that it is in the best interest of the Agency to request a second round of BAFOs. In such cases, invitations for the second BAFO need only be sent to those proposers whose proposals are within the range of competitive scores following receipt of the first set of BAFOs.
4. Treatment of Proposers: Proposers shall be treated fairly and equally with respect to any opportunity for negotiation and revision of their proposals. No proposer shall be given any information about any other proposer's proposal, and no proposer shall be assisted by the Agency to bring its proposal up to the level of any other proposal. The Contracting Officer or designee may inform a proposer that its price is considered by the Agency to be too high, or too low, and reveal the results of the analysis supporting that conclusion. The Contracting Officer or designee may also indicate to all proposers the cost or price that the Agency's price analysis, market research, and other reviews have identified as reasonable.

Section 3.3.5.5 Award

Contracts shall be awarded in accordance with the terms of the solicitation. After evaluation of the bid or proposal the contract shall be awarded to the responsive and responsible bidder or proposal that is most advantageous to the Agency.

Section 3.3.6 Request for Qualifications/Qualification Based Selections

The Agency must contract for architect and/or engineering services using Qualification Based Selection ("QBS") procedures, utilizing a Request for Qualifications ("RFQ"). Under RFQ procedures, competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. The RFQ method may also be used to procure development partners for mixed-finance projects pursuant to 24 CFR Part 905.

Section 3.3.7 Non-competitive Proposals

Section 3.3.7.1 Conditions for Use

Procurement by Non-competitive Proposals (sole-source) may be used only when the award of a contract is not feasible using other procurement methods and if one of the following applies:

1. The item is available only from a single source, based on a good faith review of available sources;
2. There is an emergency situation defined as a sudden, unexpected occurrence that requires immediate action to prevent or mitigate the loss or impairment of life, health, property or public service;
3. HUD expressly authorizes the use of non-competitive proposals;
4. After solicitation of a number of sources, competition is determined inadequate; or
5. The agency chooses to abandon the procurement due to the agency receiving only one qualified bid or proposal.

Section 3.3.7.2 Justification

Each procurement based on Non-competitive Proposals shall be supported by a written justification for the selection of this method, including the reasonableness of the price as described in Section 3.2 et seq. of this Policy. The justification shall be approved in writing by the responsible Contracting Officer. If required, the Contracting Officer will obtain HUD approval before approving a Non-competitive Proposal.

Section 3.4 Cooperative Purchasing/Intergovernmental/Piggyback Agreements

The Agency may enter into State and/or local cooperative or intergovernmental agreements (a so-called "piggyback contract") to purchase or use common supplies, equipment, goods or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the inter-governmental agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The Agency may use Federal or State excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs.

Section 3.5 Contract Modifications

Price reasonableness shall be determined for all contract modifications. A cost analysis should be completed if the amount of the contract modification will result in a total contract price in excess of the SAT.

Article 4 Solicitation and Advertising

Section 4.1 Solicitation Time Period

Formal Invitation for Bids and Request for Proposal or Qualification must be solicited for a period sufficient to achieve effective competition, which, in the case of paid advertisements, should generally be run not less than once each week for two consecutive weeks. The Executive Director or Contracting Officer may allow for a shorter period under appropriate circumstances.

Section 4.2 Form of Solicitation

Notices and advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, a contact person who can provide a copy of, and information about, the solicitation, and a brief description of the needed items(s).

Section 4.3 Cancellation of Solicitations

An IFB, RFP, or other solicitation may be cancelled if:

1. The supplies, services or construction is no longer required;
2. The funds needed to pay for the supplies or services solicited are no longer available;
3. Ambiguous or otherwise inadequate specifications were part of the solicitation;
4. All factors of significance to the Agency were not considered;
5. Prices exceed available funds and it would not be appropriate to adjust quantities;
6. There is reason to believe that bids or proposals may not have been independently determined in open competition, may have been collusive, or may have been submitted in bad faith;
7. Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best;
8. The Agency determines it is not in the best interest of the Agency to continue with the procurement; or
9. Other similar reasons.

The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request.

A notice of cancellation shall be sent to all bidders/proposers solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any re-solicitation or future procurement of similar items.

Article 5 Bonding Requirements

There are no bonding requirements for micro purchases or for competitive proposals. The Agency may require bonds for small purchases or competitive proposals when deemed appropriate; however, non-construction contracts should generally not require bid bonds.

For construction contracts exceeding \$25,000, bidders may be required to submit a bid guarantee equivalent to 5% of the bid price or when required by the applicable federal standards, HUD regulations, state, and local laws.

Section 5.1 Assurances of Completion

For construction contracts exceeding \$150,000, the successful bidder shall furnish an assurance of completion. This assurance may be any one of the following four:

1. A performance and payment bond in a penal sum of 100% of the contract price; or
2. Separate performance and payment bonds, each for 50 % or more of the contract price; or
3. A 20 % cash escrow; or
4. A 25 % irrevocable letter of credit.

Section 5.2 Bond Obtainment

Bonds must be obtained from guarantee or surety companies acceptable to the U. S. Government and authorized to do business in the State where the work is to be performed. Individual sureties shall not be considered. U. S. Treasury Circular Number 570 lists companies approved to act as sureties on bonds securing Government contracts, the maximum underwriting limits on each contract bonded, and the states in which the company is licensed to do business. Use of companies on this circular, or successors thereto, is mandatory.

Article 6 Bidder Qualifications and Duties

Section 6.1 Bidder Responsibility

The Agency shall not award any contract until the prospective bidder, (i.e., low responsive bidder, or successful proposer), has been determined to be responsible. A responsible bidder/proposer must:

- Have adequate financial resources to perform the contract, or the ability to obtain them;
- Provide adequate assurances that it can comply with the required or proposed delivery or performance schedule, taking into consideration all the bidder's/proposer's existing business commitments;

- Have a satisfactory performance record;
- Have no record of unethical business practices;
- Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;
- Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and,
- Have all licenses required to perform the contract directly and/or with the assistant of a subcontractor as permitted under law and the procurement documents
- Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including applicable licensing and State or local boards or agencies. The bidder/proposer and all subcontractors must not be suspended, debarred by HUD or any other Federal or State agencies, or subject to a HUD limited denial of participation applicable to the work the Agency seeks to procure

If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.

Section 6.2 Vendor Lists

All interested businesses shall be given the opportunity to be included on vendor mailing or email lists. Any lists of persons, firms, or products which are used in the purchase of supplies and services (including construction) shall be kept current and include enough sources to ensure competition.

Article 7 Contracting

Section 7.1 Contract Types

Any type of contract that is appropriate for the procurement and will promote the best interests of the Agency may be used. In selecting a contract type, the Contracting Officer should consider the fairness of competition, type and complexity of the contract, urgency and need of the Agency, period of performance, the contractor's technical capability, financial responsibility and accounting systems, any subcontracting and the procurement history. The contract must include a ceiling price that the contractor exceeds at its own risk.

Section 7.2 Options

Options for additional quantities or performance periods may be included in contracts, provided that:

- The option is contained in the solicitation;

- The option is a unilateral right of the Agency;
- The contract states a limit on the additional quantities and the overall term of the contract;
- The options are evaluated as part of the initial competition;
- The contract states the period within which the options may be exercised;
- The options may be exercised only at the price specified in or reasonably determinable from the contract; and
- The options may be exercised only if determined to be more advantageous to the Agency than conducting a new procurement.

Article 8 Contract Clauses

All contracts should identify the contract pricing arrangement as well as other pertinent terms and conditions, as determined by the Agency.

Additionally all federally funded contracts shall include contract language required by the HUD Procurement Regulations including, but not limited to, applicable contract provisions in 2 CFR Part 200, Appendix II, Forms HUD-5369, 5369-A, 5369-B, 5369, 5370, 5370-C, and 51915-A, as well as any forms/clauses as required by HUD for Small Purchases. The Agency shall select the applicable versions of one or more of the corresponding forms for such solicitations and contracts.

If the agreement template is included in the procurement document or the procurement document contains the terms that shall be included in the agreement between the agency and contractor, the bidder/proposer shall be presumed to have accepted the material terms of such agreement or agreement terms unless the bidder/proposer indicates to the contrary in its bid/proposal. The agency shall not make material revisions to this agreement or agreement term that would alter the contract price, services, or risk provisions, including indemnity and insurance requirements.

Article 9 Contract Administration

The Agency shall maintain a system of contract administration designed to ensure that contractors perform in accordance with their contracts. These systems shall provide for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts, and similar matters. For cost-reimbursement contracts that are funded by federal sources, costs are allowable only to the extent that they are consistent with the applicable cost principles referenced in 2 CFR Part 200.

In the event of a dispute over costs, the Agency may request the right to audit the contractor's books and records pertinent to such costs. Profits shall be analyzed separately based on factors such as the complexity and risk of the work involved, the contractor's investment and productivity, the amount of subcontracting, the quality of past performance and industry profit rates in the area for similar work.

Article 10 Specifications

Section 10.1 General

All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying the Agency's needs. Specifications shall be reviewed prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Function or performance specifications are preferred. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase.

Section 10.2 Contents

The statement of work will vary with the nature, purpose, size and complexity of the work procured. However, each statement of work should generally include: (i) detailed work and task requirements, (ii) end results and deliverables, including the criteria which a deliverable must meet to be considered acceptable, (iii) delivery schedules or period of performance, (iv) any reporting or compliance requirements, (v) a precise statement of the objectives, and (vi) other special considerations, including warranties, necessary classifications or licenses, procedural safeguards, testing procedures, etc.

Section 10.3 Limitations

The following types of specifications shall be avoided:

- Detailed product specifications;
- Geographic restrictions not mandated or encouraged by applicable Federal law (except for A/E contracts, which may include geographic location as a selection factor if adequate competition is available);
- Brand name specifications (unless the specifications list the minimum essential characteristics and standards or an "or equal" designation to which the item must conform to satisfy its intended use).

Nothing in this procurement policy shall preempt any State licensing laws. Specifications shall be reviewed to ensure that organizational conflicts of interest do not occur. Contractors retained by the Agency to develop or draft specifications or statements of work, shall be excluded from competing in the procurement.

Article 11 Appeals and Remedies

Section 11.1 General

It is Agency policy to resolve all contractual issues informally and without litigation. Disputes will not be referred to HUD unless all administrative remedies have been exhausted. When appropriate, a mediator may be used to help resolve differences.

Section 11.2 Bid Protest/Appeals

Any actual or prospective contractor may protest or appeal the solicitation or award of a contract for material violations of the procedures contained in this Policy. Mere disagreement with an award recommendation does not constitute proper grounds to protest/appeal. Any protest/appeal against a solicitation must be received before the due date for the receipt of bids or proposals, and any protest/appeal against the award of a contract must be received within ten (10) calendar days after the contract receives notice of the contract award, or the protest/appeal will not be considered. All bid protests/appeals shall be in writing, submitted to the Contracting Officer or designee, who shall issue a written decision on the matter. The Contracting Officer may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant.

Section 11.3 Contractor Claims

All claims by a contractor relating to performance of a contract shall be submitted in writing within 14 days to the Contracting Officer for a written decision. The contractor may request a conference on the claim. The Contracting Officer's decision shall inform the contractor of his/her rights to appeal to the next highest level of authority within the Agency. For procurements utilizing federal funds, contractor claims shall be governed by the Changes clause in the form HUD-5370.

Section 11.4 Notification and Review by HUD

The Agency will notify HUD of disputes arising out of procurement implicating federal funds, but only when required by the HUD Regulations. Consistent with the HUD Regulations, HUD will not review any disputes unless they arise out of violations of federal law or regulations, or violations of this protest and dispute procedure.

Article 12 Assistance to Small and Other Businesses

Section 12.1 Required Efforts

Consistent with Presidential Executive Orders 11625, 12138 and 12432, Title VI of the Civil Rights Act of 1968, and Section 3 of the Housing and Urban Development Act of 1968, as amended, the Agency shall make efforts to ensure that small, minority-owned and woman- owned business enterprises, labor surplus area businesses, and individuals or firms located in, or owned in substantial part by persons residing in, the area of a Fresno Housing public housing development are used when possible. Such efforts may include:

1. Including such firms, when qualified, on solicitation mailing lists;
2. Encouraging the participation of such firms through direct solicitation of bids or proposals whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
5. Using the services and assistance of the Small Business Administration, local Community Development Financial Institutions (CDFIs), Economic Development Corporation, Chamber of Commerce, or other similar organizations
6. Including in all contracts funded from sources covered by Section 3, the Section 3 clause prescribed at 24 CFR 135.38, which sets forth Section 3 preference requirements and compliance goals for employment and training of public housing residents and for contracting and subcontracting with businesses owned by public housing residents or which otherwise meet the criteria of a Section 3 business concern. Pursuant to 24 CFR 135.36, efforts shall be directed to award Section 3 covered contracts, to the greatest extent feasible, to Section 3 business concerns.
7. Requiring general contractors, when subcontracting is anticipated, to take the positive steps listed in 1 through 6 above.

Section 12.2 Definitions of Small and Other Businesses

- A small business is defined as a business that is: independently owned; not dominant in its field of operation; and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR Part 121 should be used to determine business size.
- A minority-owned business is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and

daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans, and Hasidic Jewish Americans.

- A women’s business enterprise is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.
- “Section 3 business concern” is as defined under 24 CFR Part 135.5.
- A labor surplus area business is defined as a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or underemployment, as defined by the Department of Labor in 20 CFR Part 654, Subpart A, and in the list of labor surplus areas published by the Employment and Training Administration.

Article 13 Board Approval of Procurement Actions

This Procurement Policy as stated within this document will only be amended through resolution and approval by the Board of Commissioners. The Board of Commissioners shall approve through resolution all contracts that exceed the Board-approved Delegation of Purchasing Authority Policy. The Executive Director/CEO may impose any requirements not inconsistent with this Procurement Policy.

Article 14 Disposition of Surplus Property

Property, other than real property, that is no longer necessary for the Agency’s purposes shall be transferred, sold, or disposed of in accordance with applicable Federal, State, and local laws and regulations.

Article 15 Exclusions

This Policy does not apply to procurement activities funded using non-program income or the following activities: direct payments for postage, licenses, permits, purchases from other government agencies or non-profits where the agency provides goods or services not available in the private sector, travel expenses, food costs, conferences, professional association fees, stipends, public transportation, parking fees, publications, advertisements for employment, or solicitation notices. Furthermore, this Policy does not govern purchases, sales, or transactions of real property, loan transactions and related documents, employment contracts, limited partnership agreements, administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 voucher program, the execution of landlord Housing Assistance Payment (HAP) contracts under that program, or contracts signed on behalf of an affiliate entity, instrumentality, or as a fiscal or management agent acting on behalf of another entity.

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www.fresnohousing.org

EXECUTIVE DIRECTOR'S REPORT

TO: Boards of Commissioners
Fresno Housing Authority
FROM: Preston Prince
CEO/Executive Director
SUBJECT: Directors Report – May 2019

DATE: May 14, 2019
BOARD MEETING: May 28, 2019
AGENDA ITEM: 10
AUTHOR: Staff

Executive Summary

The Boards of the Fresno Housing Authority have established the four strategic goals as: Place, People, Public, and Partnership. In addition, the following have been outlined as the management goals: Sustainability, Structure, and Strategic Outreach. The following report demonstrates the efforts of the Executive Leadership and Staff to progress towards the realization of these goals.

PLACE

Overview

Fresno Housing seeks to develop and expand the availability of quality affordable housing options throughout the City and County of Fresno by growing and preserving appropriate residential assets and increasing housing opportunities for low-income residents.

The matrix below outlines the Development Pipeline and status of each project.

Development Project Overview

Name of Property	Status/Type	Address	Total Units	Percent Complete
Magnolia Commons (Magill Terrace)	Under Construction	401 Nelson Avenue, Fowler, CA	60	96%

Oak Grove	Under Construction	595 Bigger Street, Parlier, CA	56	92%
Mariposa Meadows	Pre-Development Closed May 10, 2019	1011 W Atchison Avenue, Fresno, CA	40	N/A
Orchard Farm Labor Housing	Pre-Development Closing May 2019	295 S Newmark Avenue, Parlier, CA	41	N/A
Blackstone/Simpson Project	Pre- Development	3039 N Blackstone Avenue, Fresno, CA	45	N/A
Chinatown	Pre-Development	1101 F Street, Fresno, CA	57	N/A
Renaissance at Parc Grove IV	Pre-Development VHHP funds awarded	2620 E Clinton Avenue, Fresno, CA	40	N/A
Kingsburg Seniors	Pre-Development Submitted to TCAC Submitted to AHP HOME funds awarded	Southwest Corner of Sierra St and Madsen Ave., Kingsburg, CA	47	N/A
Huron	Pre-Development	Southwest Corner of Fresno and 12 th Streets, Huron, CA	61	N/A
Clovis	Pre-Development Submitted to TCAC	Northeast Corner of Willow and Alluvial Avenues, Clovis, CA	60	N/A
Renaissance at Cincotta	Pre-Development Submitted to TCAC Submitted to AHP Submitted to NPLH	4041 Plaza Drive West, Fresno, CA	28	N/A
Econo Inn	Pre-Development Submitted to AHP Submitted to NPLH	1828 Broadway Street, Fresno, CA	26	N/A
Barstow Commons	Pre-Development Submitted to NPLH	130 W Barstow Avenue, Fresno, CA	42	N/A

Project Highlights

Kingsburg Senior Housing, Willow & Alluvial, and Renaissance at Cincotta received confirmation from the California Tax Credit Allocation Committee of their point scores and tiebreakers. This notice does not guarantee acceptance of a Tax Credit award. Awards for first round applications will be approved June 12, 2019. Mariposa Meadows closed on May 10, 2019 and will begin construction.

HMD OPERATIONS

FRESNO HOUSING PORTFOLIO - MANAGED ASSETS, 4/1 – 4/30/19			
	Total No. of Units	Total Vacant	Current Occupancy
CITY OF FRESNO			
City of Fresno	957	22	97.70%
COUNTY OF FRESNO			
County of Fresno	1172	25	97.86%
COUNTY OF FRESNO - SEASONAL			
Seasonal Properties	193	7	96.37%

HMD OPERATIONS

Lease up of Magnolia Commons, formally Magill Terrace, in Fowler and Oak Grove Commons in Parlier has begun. We are pleased that most of the previous residents are choosing to return to the new sites. It has been great to see the familiar faces and they are very excited about moving into brand new homes.

Our seasonal properties have had residents move in and only a few units currently remain available

PEOPLE

Overview

Fresno Housing works to respect community needs and knowledge – by listening, learning and researching – and respond to issues compassionately, intelligently, intentionally – by developing exceptional programs based on shared expectations.

Housing Choice Voucher (HCV) Leasing Update

HCV City

Staff have been steadily issuing vouchers to applicants selected from the HCV City interest list; there were 1,050 applicants drawn in April to be fingerprinted in the month of May. All pre-applications have now been drawn from the 2018 HCV City program waiting list.

- 56 HCV City applicants attended briefings to receive their vouchers.
- 229 HAP contracts were completed for families who leased up.
- 450 applicants and participants are searching for housing.

HCV County

As staff analyzed 2019 leasing projections, a decision was made to place a hold on issuing new applicant vouchers; however, staff continued to interview applicants to collect eligibility documentation in preparation of issuing vouchers in the near future. There are 500 pre-applications that remain to be drawn from the HCV County program waiting list.

- 19 new applicants attended briefings to receive their vouchers.
- 141 HAP contracts were entered for families who leased up.
- 387 applicants and participants are searching for housing.

PUBLIC

Overview

Fresno Housing seeks to build support for housing as a key component of vibrant, sustainable communities through public information, engagement, and advocacy that promotes affordable housing and supports the advancement of Fresno's low-income residents.

Effort in this area are ongoing and will be reported as outcomes are achieved.

PUBLIC

Overview

Fresno Housing seeks to build support for housing as a key component of vibrant, sustainable communities through public information, engagement, and advocacy that promotes affordable housing and supports the advancement of Fresno's low-income residents.

Effort in this area are ongoing and will be reported as outcomes are achieved.

PARTNERSHIP

Overview

Fresno Housing seeks to collaborate to strengthen its ability to address the challenges facing Fresno communities.

Fresno Housing is exploring several partnerships in the course of pre-development activities.

Project	Organization	Role
844 S. Chance Avenue	Habitat for Humanity Fresno City College	Partner in the rehabilitation of a former Neighborhood Stabilization Program (NSP) property to provide a homeownership opportunity for a low-income family
Renaissance at Cincotta	Fresno County Department of Behavioral Health	Partner in application to the No Place Like Home program to provide housing and services to homeless populations
Econo Inn	Fresno County Department of Behavioral Health	Partner in application to the No Place Like Home program to provide housing and services to homeless populations

Barstow Commons	Fresno County Department of Behavioral Health	Partner in application to the No Place Like Home program to provide housing and services to homeless populations
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MANAGEMENT GOALS

The goals of management include our efforts to stabilize, focus, and extend activities to meet the mandate of our mission through good decisionmaking related to Sustainability (staffing, finances, effectiveness, evaluation, technology, facilities); Structure (governance); and Strategic Outreach (communications, image, visibility, public affairs, policy).

Sustainability

Build and maintain an innovative, engaged, visible, and sustainable organization, committed to its mission of providing housing for low-income populations.

Fiscal Services

Accounting and Finance staff continue to prepare and submit information for the Agency and limited partnership (LP) audits. Over the past month, DavisFarr, the Agency auditor, has been on-site to continue financial analyses. The auditors are also validating the reasonableness of data and notes reported in our financial statements. Staff expect to have a draft of the agency financial statements prepared by the end of May. Furthermore, staff expect to have final LP financial statements and tax returns completed by the end of May.

Additionally, Accounting and Finance staff have been working to implement new cash management and investment procedures that will allow for additional return on investments while maintaining the safety and liquidity of principal funds to meet our daily operating cash requirements.

Administrative Services & Procurement

Procurement staff currently has four procurements in the solicitation stage: Architectural Services, Pest Control, Landscaping and Tree Trimming, and Central Office Lobby Redesign. The four procurements are being publicly solicited. Agency staff and outside stakeholders will evaluate the proposals and quotes received for these projects during the months of May and June. In addition, the Agency recently completed an evaluation with the Information Technology (IT) department. After evaluating nine proposals, the Agency selected Pavlov Advertising Agency to refresh and redesign the Agency's website.

Information Technology

Fresno Housing Authority sent Juanita Banuelos and Steven Grijalva, both Database Administrators and Report Writers, to the 2019 Yardi Forum in Goleta, California. Staff time was spent networking with other Housing Authorities, attending training sessions, and interfacing with other Yardi staff. An immediate benefit of attending this forum, was the resolution of various cases/issues that will help clarify and enhance the work Fresno Housing does every day. Staff was also able to prepare for our next Yardi upgrade, which will introduce new features, fix existing bugs, and improve checks and balances.

Staff kicked off the discovery phase of the much anticipated Fresnohousing.org website refresh project. Bobby Coulter, Senior Manager of Information Technology, and Brandi Johnson, Communications Manager, teamed up with Pavlov Advertising Agency to host multiple focus group forums. Each forum provided feedback about the current site and gave staff the space to brainstorm about any future website upgrades that would build on Fresno Housing's incredible brand and service levels. There will be many more feedback sessions forthcoming as both Fresno Housing and Pavlov agree that in order to build a successful website, the designer must fully understand our staff culture, our programs, our residents, and our city.

Human Resources

On April 26, 2019 Aysha Hills, Senior Analyst – Human Resources, and Kody Kenshalo-Fino, Human Resources Intern, participated in the Fresno County Veterans Job and Resource Fair where they had the opportunity to promote positions to our veterans and current service members.

On May 1, 2019, Aysha Hills and Kody Kenshalo-Fino participated in the West Fresno College and Career Expo at West Fresno Middle School that consisted of both parents and students. This was a unique and rewarding experience for the Agency as well as a great chance for parents and students to get an idea of what Fresno Housing Authority offers to our workforce. The next day on May 2, 2019 Aysha Hills and Kody Kenshalo-Fino attended the Fresno State Career Development Center's "Meet the Professionals" event where current and former Fresno State students were in attendance.

From May 1st through May 3rd, Scott Fetterhoff, Director of Human Resources & Organizational Development attended the annual Board and Executive Committee Meetings for CHWCA (California Housing Worker's Compensation Authority). Important topics discussed and presented on at these meetings included new Cal-OSHA guidance on workplace violence and the importance of de-escalation skills, a fiscal review of member claims and projections, a review of award winning workplace safety idea submissions from 2018, and a roundtable best practices & planning session.

Training & Development Analyst, Damian Rivera, continues to work on employee professional development. This month's Excel workshop was a success by enhancing the participants' knowledge of formulas and functions. We will also be hosting our Lunch and Learn titled "Personal Finance" on May 24th, which will be hosted by the Principle Financial Group. These workshops have received great reviews from our employees and their managers.

The Human Resources Department is currently recruiting for positions within the Administrative Services (IT/IS), Housing Choice, and Housing Management Departments.

New Hires

- Erynn Stark, Property Specialist II

Promotions

- Roseann Dominguez, Property Specialist II

Structure

Maintain a committed, active, community-based Boards of Commissioners.

Effort in this area are ongoing and will be reported as outcomes are achieved.

Strategic Outreach

Heighten agency visibility, facilitate community dialogue about housing solutions; and build support for the agency and quality affordable housing.

Effort in this area are ongoing and will be reported as outcomes are achieved.

Addendums

May 28, 2019

Resident Empowerment

Heaton Elementary Partnership

May 28, 2019



Presented by: Laura Gemetti, Principal

Mary Helen Caggianelli, Assistant Manager – Resident Services

Heaton Demographics

Heaton Enrollment

School Enrollment 638 Students

Parc Grove Youth - 189 Students (29.6%)

Neighborhood Students - 307 Students (48.1%)

Transfer Students– 142 Students (22.3%)



Race/Ethnicity

Student Group	Percentage
African American	7.4%
Asian	4.4%
Hispanic	78.1%
Two or More Races	2.9%
Pacific Islander	0.2%
White	7.1%

Student Group

Student Group	Percentage
English Learners	19.5%
Foster Youth	1.8%
Homeless	2.3%
Socioeconomically Disadvantage	96.3%
Students with Disabilities	10.1%

Smarter Balanced Assessment Consortium (SBAC) English Language Arts/Literacy (ELA)

SBAC ELA	Did Not Meet	Met
Neighborhood Student	76%	24%
Parc Grove	83%	17%
Student Transfer	77%	23%
Interim 1 ELA	Did Not Meet	Met
Neighborhood Student	78%	22%
Parc Grove	85%	15%
Student Transfer	83%	17%
Interim 2 ELA	Did Not Meet	Met
Neighborhood Student	74%	26%
Parc Grove	84%	16%
Student Transfer	69%	31%

ELA 20.3% of 3rd-6th graders met or exceeded standards
5th lowest in the District, or ranked 64/68 elementary schools

Data

Smarter Balanced Assessment Consortium (SBAC) Math

SBAC Math	Did Not Meet	Met
Neighborhood Student	79%	21%
Parc Grove	90%	10%
Student Transfer	87%	13%
Interim 1 Math	Did Not Meet	Met
Neighborhood Student	77%	23%
Parc Grove	85%	15%
Student Transfer	91%	9%
Interim 2 Math	Did Not Meet	Met
Neighborhood Student	78%	22%
Parc Grove	87%	13%
Student Transfer	81%	19%

Math 13.8% of 3rd-6th graders met or exceeded standards
2nd lowest in the District, or ranked 67/68 elementary schools

Attendance

- Chronic Absenteeism 22% Across all three Neighborhood, Parc Grove and Transfer Students.

Suspensions

Suspensions	Students	Percentage
Parc Grove Students	189	8.5%
Neighborhood & Transfer Students	449	5.1%

Heaton Elementary Needs



Needs Identified

- Academic Performance
- Parent Engagement
- School Enrollment
- Transportation

Heaton Elementary Partnership

Mission: Creating and sustaining a coalition of stakeholders serving the residents and their children of Parc Grove Commons

Vision: Creating a culture of collaboration, shared ownership and opportunity for all

- To improve communication among all stakeholders
- To build positive, collaborative partnerships
- To increase student academic achievement
- To support resident social-emotional well-being

Partnerships

Fresno Unified School District

- Equity and Access
- Department of Prevention and Intervention
- African American Academic Acceleration (A4)
- Fort Miller Middle School
- Fresno High School
- FUSD Trustee Mills (Area 5)



- **Fresno Housing Authority**
- **Every Neighborhood Partnership**
- **Fresno State University**
- **Fresno City College**
- **California Teaching Fellows**
- **Fun Works**
- **Book Rich Environments**



Activities Addressing Needs

Academic Performance

- After-School Programming
- Spring Break Camp
- Saturday Sports

Parent Engagement

- Family Literacy and Math Events
- Back to School Night

School Enrollment

- Meet and Greet Registration Night



Activities Addressing Needs

Upcoming

Academic Performance

- Data Monitoring
- Kinder -2nd Literacy Program (English/Spanish)
- Tablet Computers for PreK-3rd graders

Parent Engagement

- ATLAS Parent Portal Training and Pizza Nights
- Learning Conversation
- Listening Circles
- Parent Teacher Conferences

Transportation

- Special Events Bus



Activities Addressing Needs

Highlights

- Heaton Carnival (8 years since last)
- After School Program – Increased Enrollment
- 2019 Summer School



Resident Services Update

MAY / JUNE 2019



MAY HIGHLIGHTS

Early Learning Play and Learn Group in partnership with Fresno Unified School District

Play and Learn activities explore dramatic play, music, literacy, sensory, art, and math. Classes enhance the skills of parents, extended family, and other informal caregivers to improve the quality of adult-child interactions to ensure children are receiving healthy interactions during the first 5 years and are prepared for kindergarten.

Cedar Courts – Thursdays from 9:30-11:30 a.m.

Helm Home – Monday – Wednesday from 9-11 a.m.

Food to Share Program in partnership with Fresno Metro Ministry

A community food partnership that provides unique opportunities to address both food insecurities and environmental solutions.

Food distribution is offered weekly at the following locations:

Cedar Courts – Thursdays at 10 a.m.

Legacy Commons – Mondays at 4 p.m.

Renaissance at Parc Grove Commons – Tuesdays at 1:30 p.m.

Saturday Sports in partnership with Every Neighborhood Partnership

Saturday Sports is offered every Saturday at Parc Grove Commons and Sierra Plaza. Youth can participate in outdoor activities such as sports, games, crafts, and other interactive activities.

Parc Grove Commons – Saturdays from 12-2 p.m.

Sierra Plaza – Saturdays from 10 a.m. - 12 p.m.

Fresno County Community Health Needs Assessment in partnership with the Central Valley Health Policy Institute

A focus group was held with residents at Cedar Courts to understand, align, and leverage resources to identify and address the root causes of our community health needs.

Mother's Day Activities

Various Mother's Day activities were done the week of Mother's Day at various sites (listed below). Children created arts and crafts to give to their mothers, grandmothers and loved ones in honor of Mother's Day.

Offered at: Cueva De Oso (Selma), Blossom Trail Commons (Sanger), Cedar Courts, Yosemite Village, Legacy Commons, Viking Village, Villa Del Mar, Granada Commons and Helsem Terrace (Kerman)

JUNE HAPPENINGS

Summer Book Giveaway & Magic/Bubble Show in partnership with Fresno County Public Library

Villa Del Mar – June 3 at 3 p.m.

Cedar Courts at Mike's Books – June 21 at 9 a.m.

Rios Terrace (Mendota) – June 21 at 5 p.m.

Blossom Trail Commons (Sanger) – June 27 at 3 p.m.

Family Carnival in Southwest Fresno

This fun family event is hosted by Bringing Broken Neighborhoods Back to Life and Fresno Housing Authority. 2100 Block Maud/California – Friday, June 7 from 11 a.m.-3 p.m.

Summer Literacy Tutoring in partnership with Every Neighborhood Partnership

Trained tutors work one-on-one with elementary students during the summer months to improve their familiarity with sight and high-frequency words, using booklets, flashcards, games and other activities.

Parc Grove Commons – Tuesday and Thursday 3-4 p.m.



Summer Food Program in partnership with Fresno Economic Opportunities Commission (EOC)

Fresno Economic Opportunities Commission (EOC) administers meals to youth at approximately 104 sites across Fresno County. The Summer Food Program is being offered at the following Fresno Housing Authority properties:

Yosemite Village, Legacy Commons, Cedar Courts, Parc Grove Commons, Helsem Terrace & Granada Commons (Kerman), Rios Terrace (Mendota), Cardella Courts & Mendoza Terrace (Firebaugh), Kuffle Terrace (Orange Cove).

GRID Alternatives

GRID will host an orientation and recruit residents for the hands-on solar installation training program.

Legacy Commons – June 19 at 5 p.m.

Fresno Chaffee Zoomobile

Fresno Chaffee Zoo's Zoomobile engages residents of all ages by providing a close-up experience with a selection of mammals, birds, reptiles and amphibians.

Cedar Courts – June 18 from 9-11 a.m.

Girls Scouts of Central California South

Residents are invited to attend an informational meeting to learn more about Girls Scouts.

Fairview Heights – June 26 at 4 p.m.

Resident Health Fair

Residents are invited to attend a resident health fair to learn more from partners such as Fresno County Department of Public Health, EOC Tobacco Prevention Program, West Fresno Family Resource Center and more.

Legacy Commons – June 21 at 2 p.m.

Faith and Finance

Faith and Finance provides a congregational approach to financial literacy. Classes provide participants with important training and resources that help prepare them for success.

Parc Grove Commons – Offered Wednesdays beginning June 12 – August 21 from 4-6 p.m.

FRESNO VIBRANT COMMUNITIES QUALITY HOUSING AUTHORITY ENGAGED RESIDENTS

Interactive Data Dashboard

Part 3 – HCV Interest List

Part III	Intro	Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview
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Interactive Data Dashboard

*Board of Commissioners Meeting
May 28, 2019*

Part III	Intro	Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview
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Purpose

- Expand the use of meaningful data, analyses, and measurements that will allow for a greater understanding of the Agency's residents and programs
- To better understand our programs, residents, and community
- To provide better service and programs

Part III	Intro	Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview
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Solution

- Transform the Executive Summary narrative into a series of interactive data dashboards centered around some of the most common discussions, challenges, and goals.

Intro	Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview	Applicant Demographics
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Roadmap

Part 1 – People and Places: Applicants, Residents, and Properties

Part 2 –Central Office Lobby Customer Service

Part 3 - HCV Interest List

Part 4 - Our Staff: Demographics and Retention

Part 5 - Our Programs: HMD Statistics

Part 6 - Our Programs: HCV and Inspection Statistics

Part 7 - Resident Services

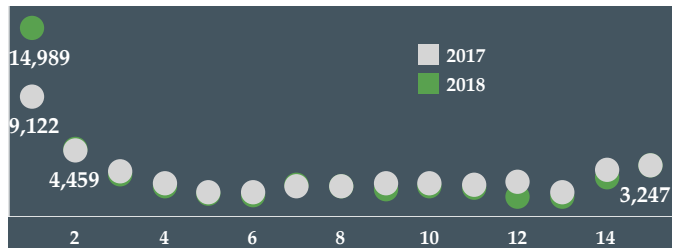
Purpose	Solution	Roadmap	How an application becomes a home	Interest List Overview	Applicant Demographics	Reason Not Issued a Voucher
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Housing Choice Voucher Interest List Opening

FRESNO VIBRANT
QUALITY HOUSING
AUTHORITY ENGAGED
RESIDENTS

Total Number of Applications by Day



Total Applications

74,204

	City	County
2017	18,853	17,269
2018	19,643	18,439
Total	38,496	35,708

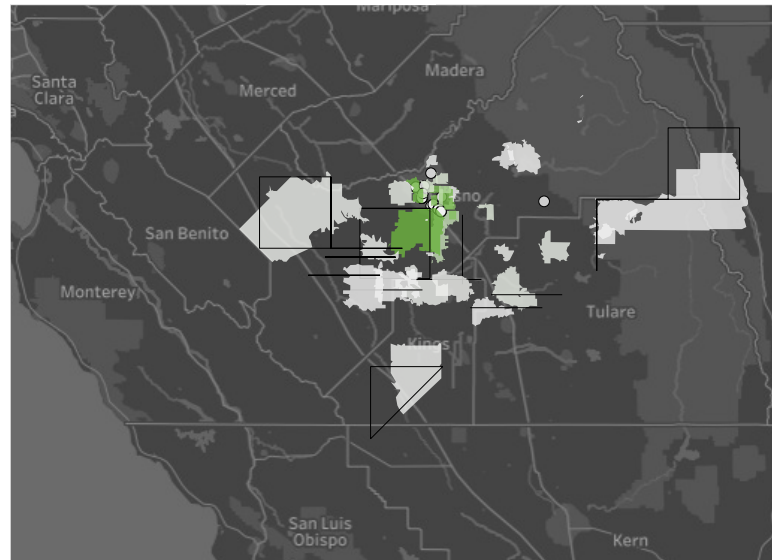
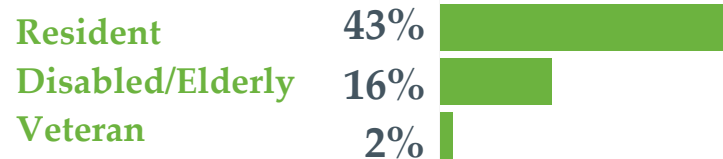
Applicants

36,343

Applied for Both

81.02%

Preferences

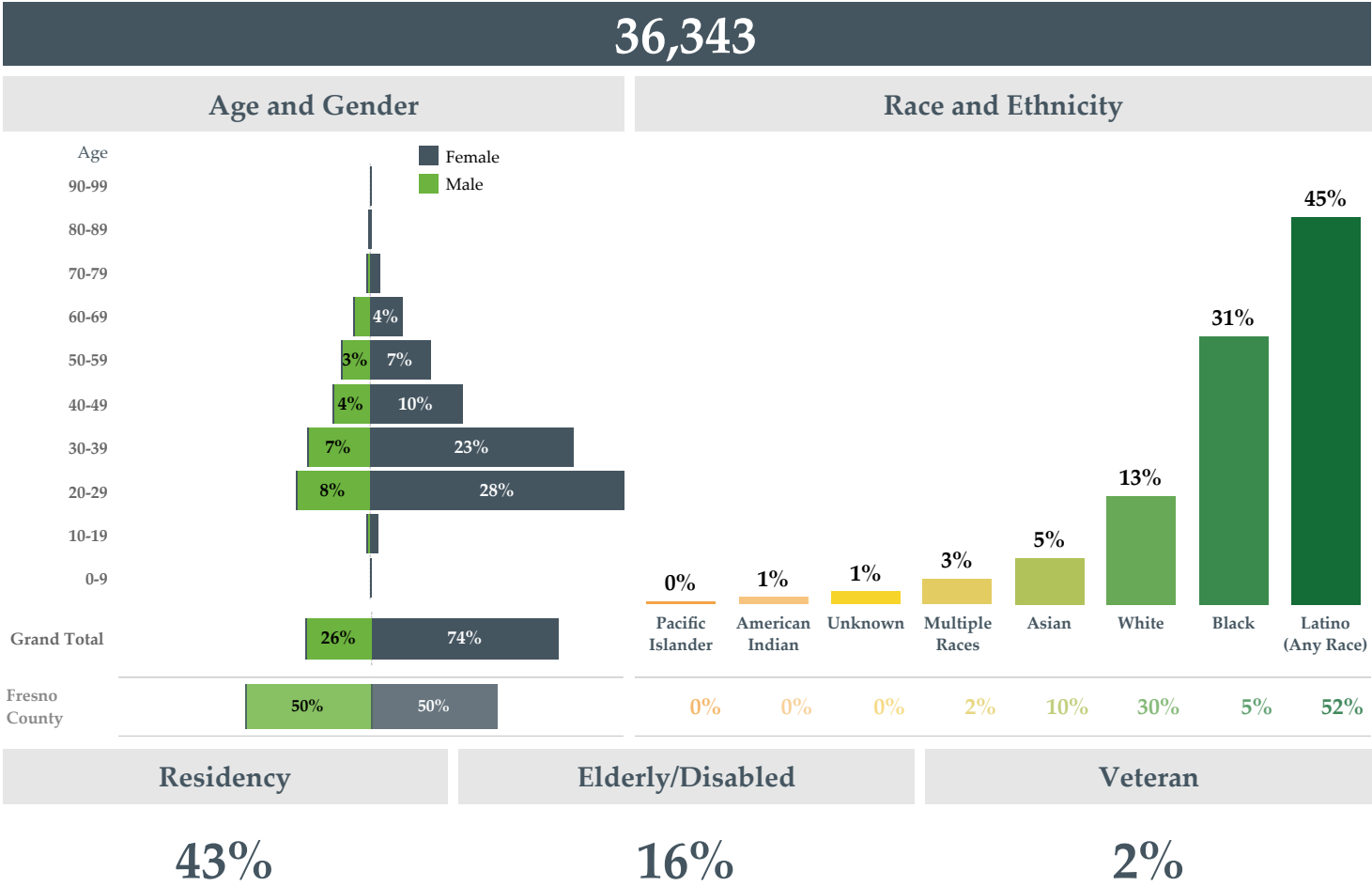


Number of Applicants from Fresno County 63%

Housing Choice Voucher Applicants

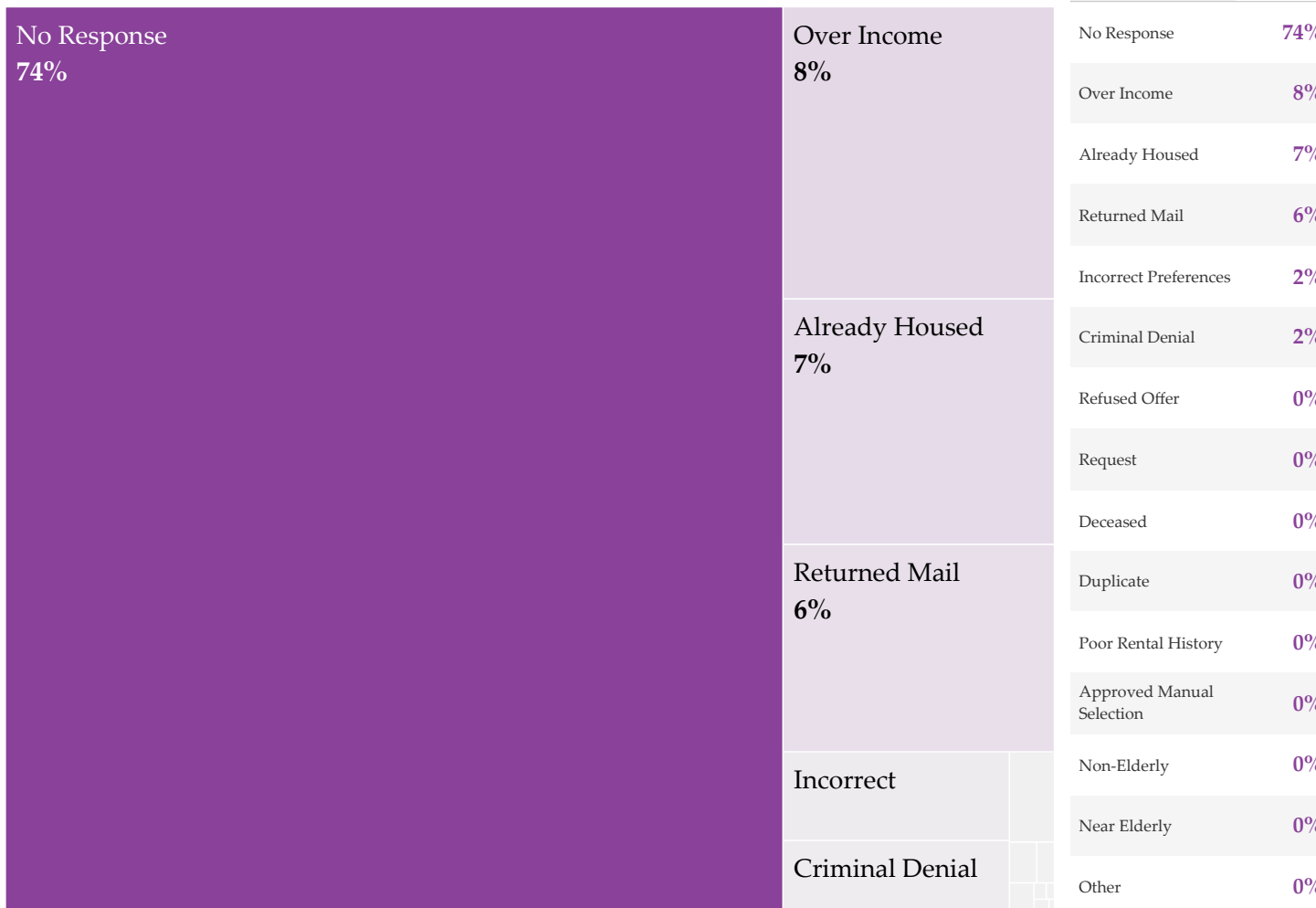


Total Number of Applicants



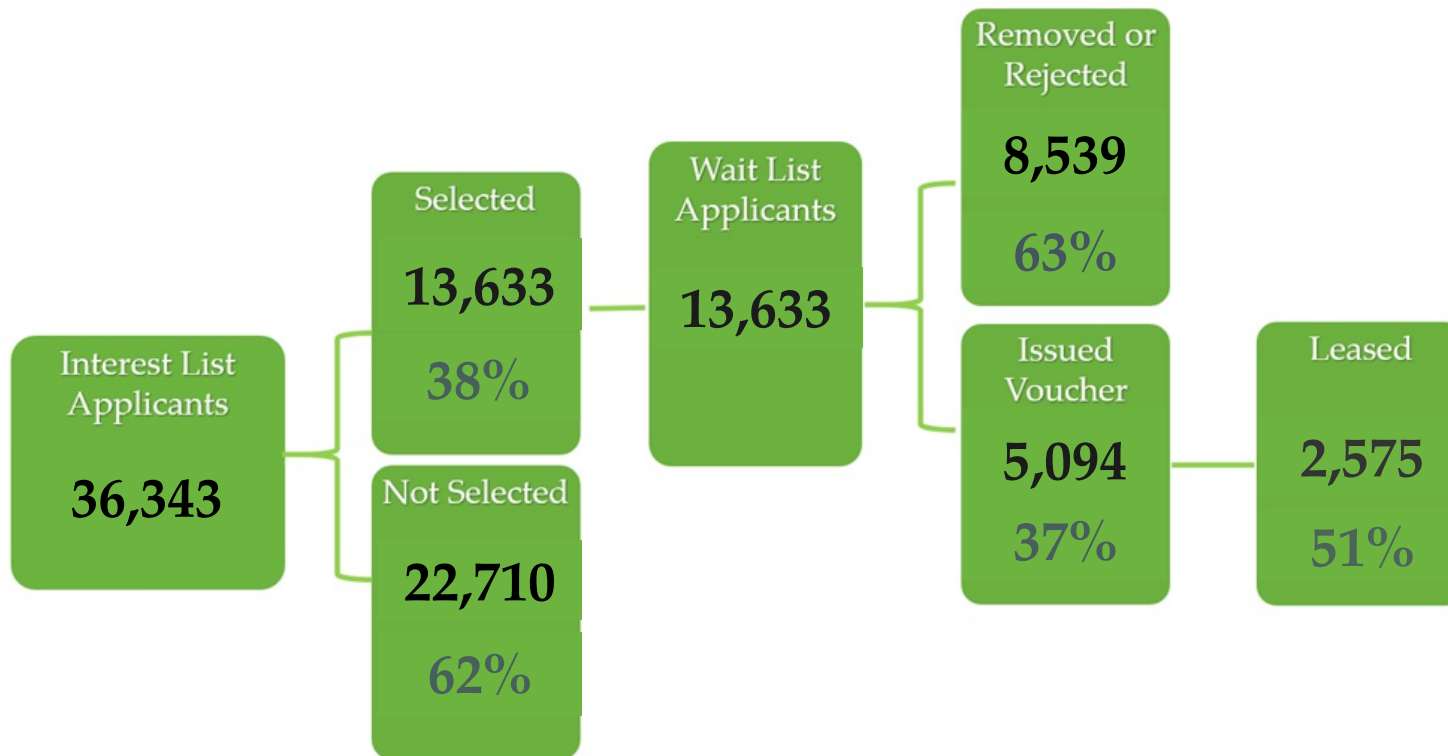
Roadmap	How an application becomes a home	Interest List Overview	Applicant Demographics	Reason Not Issued a Voucher	Applicant Workflow	Questions
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Reason Not Issued Voucher



Roadmap	How an application becomes a home	Interest List Overview	Applicant Demographics	Reason Not Issued a Voucher	Applicant Workflow	Questions
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FRESNO VIBRANT
QUALITY HOUSING COMMUNITIES
AUTHORITY ENGAGED RESIDENTS





HUD's Proposed Rule on Mixed Families

*Fresno Housing Authority
Boards of Commissioners Meeting
May 28, 2019*



Overview

- Mixed Families Definition
- Key Elements of Proposed Rule
- HUD's Rulemaking Process
- Fresno Housing Data on Mixed Families

What is a Mixed Family?

- “Mixed Families” are considered households in which one or more members are not a U.S. citizen or eligible non-citizen
- Fresno Housing follows current HUD guidelines and provides housing assistance only to those family members who are eligible
- Subsidy is prorated to provide assistance only to eligible members, meaning a mixed family pays a higher rent

Sample Rent Differences

Mixed Family Households

	Annual Adjusted Income	Total # of Family Members	# Ineligible Members	Full Assistance TIP	Mixed Family TIP	<i>Difference</i>
Family A	\$14,408	6	2	\$360	\$673	\$313
Family B	\$6,168	2	1	\$154	\$405	\$251
Family C	\$5,628	3	1	\$141	\$467	\$326
Family D	\$11,021	2	1	\$275	\$529	\$254
Family E	\$16,380	2	1	\$410	\$764	\$354
Family F	\$29,008	6	3	\$725	\$1,002	\$277

Key Changes to Current Rule

- If the rule becomes final in its current form, two key changes will occur
 - All family members must have their immigration status verified through the SAVE system (unless 62 years of age or greater)
 - The Head of Household **MUST** be an eligible household member
- This rule, as it is currently understood, would make the implementation retroactive and require current families to confirm eligibility

HUD Rulemaking Process

- Proposed Rules are created when HUD desires to change or clarify the guidance or rules that have previously been established
- Public comment period is required for Proposed Rules. The public comment period for this Proposed Rule will close on July 9th, 2019 (60 days)
- After that, HUD will collect and analyze all public comments, and issue a Final Rule
- Typically, HUD will give 30 days notice before a Final Rule will go into effect

Fresno Housing Mixed Families

Total Number of Mixed Families	570
Total Number of People	2,606
Total Number of Children Under 18	1,402
<i>Total Number of Eligible Children Under 18</i>	<i>1,377</i>
Total Number of Adults	1,204
<i>Total Number of Eligible Adults</i>	<i>548</i>

These are the number of households we believe will be impacted based on our most current analysis of the Proposed Rule

Congress of the United States
Washington, DC 20515

May 23, 2019

The Honorable Benjamin S. Carson, Sr., M.D.
Secretary
U.S. Department of Housing and Urban Development
451 7th Street SW
Washington, D.C. 20410

RE: HUD Docket No. FR-6124-P-01: Housing and Community Development Act of 1980:
Verification of Eligible Status

Dear Secretary Carson:

As Members of the California Congressional Delegation, we write today to express our strong opposition to the U.S. Department of Housing and Urban Development's (HUD) proposed changes to Section 214 of the Housing and Community Development Act of 1980, which would restrict households with immigrant family members from receiving federal housing assistance¹. The proposed changes contribute to the Trump administration's efforts to separate American families and intimidate immigrant communities.

If implemented, the rule would result in the displacement of thousands of families across the country and disproportionately affect millions of California residents. Furthermore, contrary to the administration's claim, the proposed rule is unlikely to reduce the waiting list for assisted housing programs and instead, due to expected costs associated with its implementation, could reduce overall housing quality and assistance.

Existing law already prohibits ineligible immigrants from receiving federal housing assistance. However, for over two decades, the Department has allowed mixed-status families – households whose members have different citizenship and immigration statuses – to live in subsidized housing provided at least one person is an eligible resident or citizen. However, the proposed rule would limit federal housing assistance only to families in which *every* member is an eligible resident and citizen.

If the rule were to take effect, mixed status families currently seeking federal housing assistance would automatically become ineligible. Mixed-status families that currently reside in public or subsidized housing would be forced to make an impossible decision between losing their housing

¹ Department of Housing and Urban Development. 24 CFR Part 5. Docket No. FR 6124-P-01
<https://www.federalregister.gov/documents/2019/05/10/2019-09566/housing-and-community-development-act-of-1980-verification-of-eligible-status>

assistance and possibly being homeless or forcing family members who cannot prove their eligibility to leave their family home. Lastly, the rule may even prevent families who are legally entitled to housing benefits from applying for assistance due to fear.

Consequently, the proposed rule could result in the displacement of 25,000 households nationwide, affecting more than 55,000 children, all of whom are U.S. citizens or residents². As the Department acknowledges, “temporary homelessness could arise for a household,” particularly for families who reside in high cost-of-living areas.³ Research indicates children with unstable housing have worse educational and health outcomes than their peers. The loss of housing assistance would seriously harm affected families, particularly families of color.

California is proudly home to more than 10 million immigrants, the largest immigrant population in the United States. Nearly five million Californians belong to mixed-status families. The proposed rule and its negative impact stands to disproportionately affects thousands of these California residents.

While we agree that our nation faces affordable housing challenges, this proposed rule is not designed to address the underlying causes of our housing crisis nor expand the availability of housing units. HUD’s own analysis indicates the rule would cost the government at least \$193 million more each year.⁴ As a result, HUD predicts “there could be fewer households served under the housing choice vouchers program.”⁵ Additionally, for public housing complexes, there would be a negative impact on the quality of service, maintenance of units, and possible vacancies. This reduction of housing units and quality would only exacerbate the ongoing homelessness crisis in many of our communities.

Numerous housing and civil rights advocates have questioned the policy benefits of the proposed rule. If the Administration is indeed interested in addressing housing, we urge you to work with Congress to increase funding and resources for housing programs, rather than reduce funding, as was the case in the most recent budget request.

The proposed rule targets immigrant communities, causing needless hardship and fear for some of our most vulnerable families. For these reasons, we strongly urge the U.S. Department of Housing and Urban Development to immediately withdraw the proposed rule.

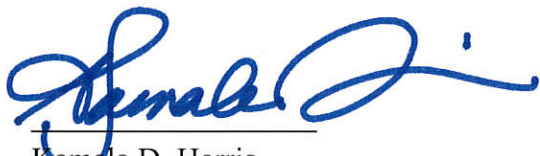
²Tracy Jan, *HUD says 55,000 children could be displaced under Trump plan to evict undocumented immigrants* https://www.washingtonpost.com/business/2019/05/10/hud-says-children-could-be-displaced-under-trump-plan-evict-undocumented-immigrants/?utm_term=.87065dca6ace

³Regulatory Impact Analysis, Amendments to Further Implement Provisions of the Housing and Community Development Act of 1980

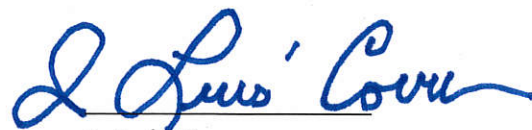
⁴Ibid.

⁵Ibid.

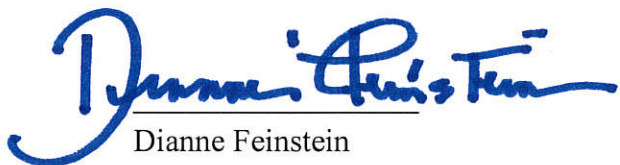
Sincerely,



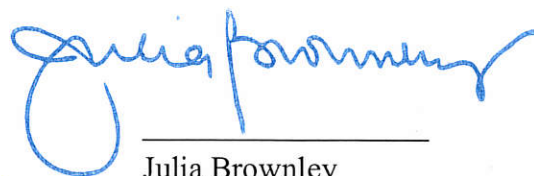
Kamala D. Harris
U.S. Senator



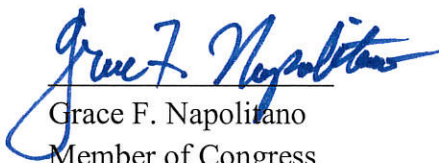
J. Luis Correa
Member of Congress



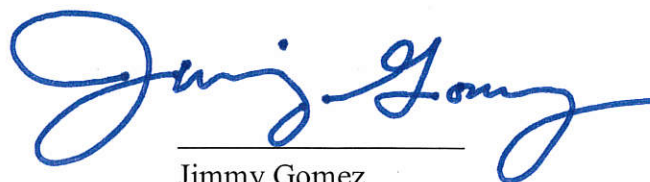
Dianne Feinstein
U.S. Senator




Julia Brownley
Member of Congress



Grace F. Napolitano
Member of Congress



Jimmy Gomez
Member of Congress



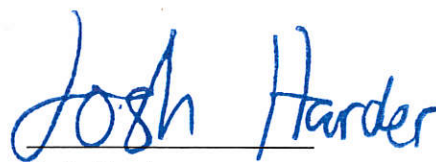
Jimmy Panetta
Member of Congress



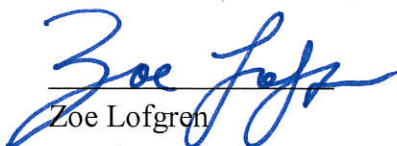
Salud Carbajal
Member of Congress




Nanette Diaz Barragán
Member of Congress



Josh Harder
Member of Congress



Zoe Lofgren
Member of Congress



Susan A. Davis
Member of Congress

Eric Swalwell
Member of Congress

Katie Hill
Member of Congress

Alan Lowenthal
Member of Congress

Barbara Lee
Member of Congress

Adam B. Schiff
Member of Congress

Ro Khanna
Member of Congress

Mark DeSaulnier
Member of Congress

Anna G. Eshoo
Member of Congress

Mike Thompson
Member of Congress

Linda T. Sánchez
Member of Congress

Jim Costa
Member of Congress

TJ Cox
Member of Congress

Juan Vargas
Member of Congress

Jared Huffman
Member of Congress



Scott H. Peters
Member of Congress



Tony Cárdenas
Member of Congress



Lucille Roybal-Allard
Member of Congress



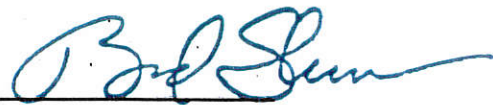
Mark Takano
Member of Congress



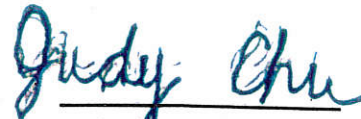
Mike Levin
Member of Congress



Doris Matsui
Member of Congress



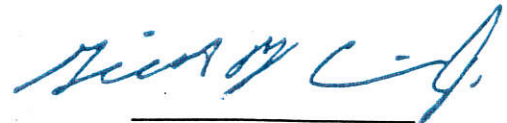
Brad Sherman
Member of Congress



Judy Chu
Member of Congress



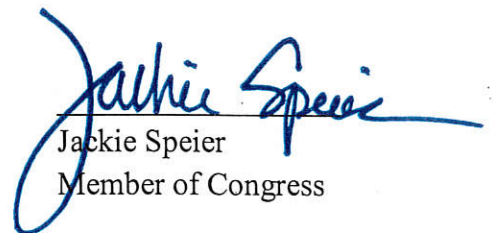
Maxine Waters
Member of Congress



Gilbert R. Cisneros, Jr.
Member of Congress



Karen Bass
Member of Congress



Jackie Speier
Member of Congress



Ted W. Lieu
Member of Congress

Q&A on HUD Proposed Rule on Mixed-Status Families

On May 10, 2019, the Department of Housing and Urban Development (HUD) released a [proposed rule](#) titled “Housing and Community Development Act of 1980: Verification of Eligible Status.” The rule would significantly change HUD’s regulations by further restricting eligibility for federal housing assistance based on immigration status. The rule would also impose new documentation requirements for U.S. citizens and individuals 62 years old or older receiving or applying for housing assistance. If finalized, the proposed rule will effectively evict 25,000 immigrant families from their homes, including over 55,000 children who are eligible for housing assistance under federal law. Millions of citizens and the elderly could also lose their subsidies if they are not able to prove their citizenship and immigration status.



WHAT WOULD THE PROPOSED RULE DO?

The proposed rule prohibits “mixed-status” families from living in federally subsidized units that are subject to immigration status restrictions under Section 214 of the Housing and Community Development Act of 1980 (“Section 214”). Mixed-status families are households comprised of members who have eligible and ineligible immigration statuses as defined in Section 214. Currently, families with at least one U.S. citizen or eligible immigrant are permitted to live together in a subsidized housing unit. Mixed-status families receive housing assistance on a prorated basis—where the amount of the housing subsidy for the household is decreased to account for family members with ineligible immigration status. That is, the subsidy is based on the portion of eligible household members in the unit. **Existing laws ensure that only U.S. citizens and eligible immigrants can receive these housing subsidies.**

The proposed rule requires that every household member be a U.S. citizen or an eligible immigrant. However, if the head of the household’s immigration status has been verified, a temporary period of prorated assistance may be allowed while the status of other family members is being verified.

Furthermore, the rule would require that the status of all household members younger than 62 years old be verified through the Systematic Alien Verification for Entitlements (“SAVE”) system, which is operated by the Department of Homeland Security. The rule also makes changes to the citizenship and immigration verification requirements for U.S. citizens and noncitizens who are 62 years old or older, as detailed below.

The rule would apply to all households currently receiving Section 214 subsidies, as well as to anyone who may apply for these housing programs in the future.

WHICH AFFORDABLE HOUSING PROGRAMS ARE COVERED UNDER THE PROPOSED RULE?

The rule would apply to the following federal housing assistance programs:

- Public Housing
- Section 8 Housing Choice Vouchers

- Section 8 Project-Based Housing
- Section 235 Home Loan Program
- Section 236 Rental Assistance Program
- The Rent Supplement Program
- Housing Development Grant Programs (low-income units only)

WOULD THE RULE AFFECT OTHER FEDERAL HOUSING ASSISTANCE PROGRAMS?

While only the programs listed above are covered by the proposed rule, other federal, state, and local housing programs may be implicated where layers of subsidies that include one of the listed programs are used to make units affordable to very low-income families. For example, a mixed-status family living in a Low-Income Housing Tax Credit unit with Section 8 Housing Choice Voucher assistance would be affected by this proposed rule.

WHO IS AN “ELIGIBLE” IMMIGRANT?

Only U.S. citizens and individuals with one of the following immigrant statuses are eligible for federal subsidies under Section 214:

- U.S. Citizens and Nationals
- Lawful Permanent Residents (LPR)
- VAWA Self-Petitioners
- Asylees and Refugees
- Parolees
- Persons Granted Withholding of Removal/Deportation
- Victims of Trafficking
- Individuals residing in the U.S. under the Compacts of Free Association with the Marshall Islands, Micronesia, Palau and Guam
- Immigrants admitted for lawful temporary residence under the Immigration Reform and Control Act of 1986

WHO IS AN “INELIGIBLE” IMMIGRANT?

Other immigration categories not listed under the above “eligible” immigrant list are ineligible for housing assistance under Section 214. For example, ineligible immigrants include those who are in the U.S. on temporary employment or student visas, persons granted Temporary Protected Status, recipients of Deferred Action for Childhood Arrivals (DACA), or survivors of serious crimes granted U non-immigrant status.

AN “INELIGIBLE” IMMIGRANT IS NOT AN UNDOCUMENTED IMMIGRANT?

Being “ineligible” for housing subsidies is **not** equivalent to being undocumented. There are many immigrants with legal status who are ineligible for certain federally subsidized housing. A poignant example of ineligible immigrants are U-visa holders, who are crime victims that have suffered signif-

icant physical or mental abuse while in the U.S. and are assisting law enforcement and government officials in prosecuting those who perpetrated the criminal activities.

1. The family's head of household (leaseholder) must have an eligible immigration status under Section 214.
2. The ineligible family members in the household must be either: the spouse of the head of household, children of the spouse or head of household, or parents of the spouse or head of household. Other ineligible family members (such as aunts, uncles, cousins, etc.) would prevent a family from receiving continued assistance under the rule.

DOES THIS MEAN THAT IMMIGRANTS WHO ARE NOT ELIGIBLE FOR SECTION 214 HOUSING WOULD NOT BE AFFECTED BY THE RULE?

No. Any immigrant or U.S. citizen living as part of a mixed-status family would be harmed by this rule. A mixed-status family would be faced with the impossible choice of breaking up their families to ensure that some members still receive the assistance or forgoing the assistance to keep the family together and potentially facing homelessness.

HOW MUCH TIME WOULD MIXED-STATUS FAMILIES THAT CHOOSE TO STAY TOGETHER HAVE BEFORE THEY WOULD LOSE THEIR ASSISTANCE?

The proposed rule includes a "temporary deferral of termination of assistance" provision. Under this provision, mixed-status families can continue to receive prorated assistance if they can show that:

1. The family made reasonable efforts to find new affordable housing but were unsuccessful in their search, or
2. The vacancy rate for affordable housing is less than five percent in the area that they currently reside, or
3. The local jurisdiction's consolidated plan reports that the local housing market lacks sufficient affordable housing opportunities for families of the size and income level of the family seeking temporary deferral.

Families can receive a temporary deferral for an initial period of up to six months. The family may be able to get this time extended for two additional six-month periods, for a total of 18 months of temporarily deferred termination of assistance.

HOW WOULD THE RULE CHANGE CITIZENSHIP AND IMMIGRATION VERIFICATION REQUIREMENTS FOR EVERYONE?

Under current HUD regulations, only family members that are applying for housing assistance need to have their immigration status verified. Family members that would not qualify for assistance based on their immigration status can elect not to contend eligibility for the housing assistance, allowing the family to receive assistance on a prorated basis. The proposed rule would eliminate an individual's ability to elect not to contend their eligibility for the subsidy, and would require all household members under the age of 62 to submit verification of their immigration status through the Department of Homeland Security's Systematic Alien Verification for Entitlements (SAVE) system.

Under the proposed rule, **U.S. Citizens and Nationals**, who currently must only provide a signed declaration of U.S. citizenship or U.S. nationality, would also need to submit documentation of their citizenship status. Furthermore, **noncitizens who are 62 years old or older**, who currently are only

required to provide a signed declaration of eligible immigration status and a proof of age document, would also be required submit immigration documentation, although the documentation would not be verified through SAVE.

If these individuals are not able to produce the documentation in the required timeframes, then they risk losing their housing assistance.

WHAT IF EVERYONE IN THE HOUSEHOLD IS AN ELIGIBLE IMMIGRANT, BUT IT IS TAKING SOME TIME TO VERIFY THEIR IMMIGRATION STATUS?

The proposed rule allows for temporary prorated assistance to families once their head of household or leaseholder has established an eligible immigration status. However, this prorated assistance would only be available while the remaining household members establish that they have an eligible immigration status. If it is established that there are ineligible family members in the household, the family would no longer qualify for prorated assistance.

WOULD ANY MIXED-STATUS FAMILIES BE EXEMPTED FROM THIS RULE?

No mixed-status families will be exempted, under the proposed rule. However, certain families may qualify for continued assistance, where they will be able to continue to receive assistance on a prorated basis. To qualify for continued assistance, a mixed-status family must meet the following conditions:

1. The family must have been receiving assistance from a housing program covered by Section 214 on June 19, 1995.
2. The family's head of household (leaseholder) must have an eligible immigration status under Section 214.
3. The ineligible family members in the household must be either: the spouse of the head of household, children of the spouse or head of household, or parents of the spouse or head of household. Other ineligible family members (such as aunts, uncles, cousins, etc.) would prevent a family from receiving continued assistance under the rule.

HOW MANY FAMILIES WILL BE HARMED OR AFFECTED BY THIS RULE?

According to HUD data, approximately 25,000 mixed-status families across the country currently receiving assistance would be forced to decide between breaking up their families or forgoing their assistance. In these families, over 55,000 children who are eligible for the assistance will be harmed by this rule because their parents are ineligible immigrants.

Millions more immigrant families will be harmed by the fear and confusion created by this rule and related policies by the Trump Administration, as families decide not to seek or to leave lifeline housing subsidy programs for which they are eligible.

Additionally, this rule would affect nine million U.S. citizens currently receiving HUD assistance who have already attested, under penalty of perjury, that they are citizens as well as about 120,000 elderly immigrants who are receiving subsidies. If these individuals cannot provide the proper proof of citizenship or immigration status, then they risk losing their assistance and facing homelessness.

HOW WOULD THIS RULE AFFECT HOUSING PROVIDERS ADMINISTERING THESE ASSISTANCE PROGRAMS?

The rule would require housing providers to collect and verify documentation that was not previously required. Tens of thousands of public housing agencies and private property owners would need to collect documents “proving” the citizenship of millions of assisted residents, as well as the citizenship of future applicants for assistance. They would also need to collect status documentation from thousands of elderly immigrants. Additionally, housing authorities must create new policies to determine which families will receive continued assistance or temporary deferment of termination.

All of these new requirements would impose new and significant administrative costs and burdens for housing providers, which HUD does not account for in the rule. These costs could further deter housing providers from participating or continuing to participate in these programs, which would exacerbate the affordable housing crisis.

I AM WORRIED ABOUT WHETHER THE RULE APPLIES TO ME. SHOULD I GIVE UP MY HOUSING ASSISTANCE?

This is only a proposed rule. The agency will be accepting comments on it, and must respond to the comments before it can become final or effective. The final rule is not likely to go into effect for many months, and the proposed rule would offer the possibility of a temporary deferral of termination of assistance to give families time to transition to unsubsidized housing. Affordable housing is essential for families to thrive. If you have questions about your situation or whether you should remain in your housing, you can consult a housing attorney.

WHAT CAN I DO?

Fight back by submitting comments to HUD explaining why this rule would have a catastrophic impact on you, your family, friends, neighbors, tenants, and clients. The deadline to submit comments is **July 9, 2019**. Individuals can submit comments directly to HUD via NLIHC and NHLP’s campaign website, www.keep-families-together.org. The website’s resources page also includes comment templates that organizations can modify and adapt to submit on their own at www.regulations.gov (Docket ID: HUD-2019-0044).

For more information, please contact Elayne Weiss, NLIHC Senior Policy Analyst, at eweiss@nlihc.org, or Karlo Ng, NHLP Supervising Attorney, at kng@nhlp.org.



NAHRO CEO Statement on Proposed Rule Regarding Immigrants in HUD-Assisted Housing

"HUD has now published its proposed rule to remove "mixed families" or their family members from subsidized housing across the country, and places the burden of doing so on local housing providers.

And, to add insult to injury, HUD's analysis says this action would INCREASE costs to taxpayers, and likely not alleviate pressure on local waiting lists, as it previously suggested.

Evicting families, raising program costs, and forcing unfunded mandates on local communities: This is a hot mess."

Contact: [Sylvia Gimenez](#)

About NAHRO

NAHRO, established in 1933, is a membership organization of almost 20,000 housing and community development agencies and professionals throughout the United States whose mission is to create affordable housing and safe, viable communities that enhance the quality of life for all Americans, especially those of low- and moderate-income. NAHRO's membership administers more than 3 million housing units for 7.6 million people.

CLPHA Strongly Opposes HUD's Non-Citizen Proposal

Date Published: May 9th, 2019

WASHINGTON (May 9, 2019) – The U.S. Department of Housing and Urban Development will formally propose a new rule tomorrow that would disallow undocumented immigrants from living in federally subsidized housing. The proposed rule, which will be published in the Federal Register for a 60-day comment period, would impact tens of thousands of immigrant families that include U.S. citizen children and other family members who are eligible for assistance.

The Executive Director of the Council of Large Public Housing Authorities, Sunia Zaterman, issued the following statement in response to the proposed rule:

"CLPHA is strongly opposed to HUD's punitive proposal that would make it harder for public housing authorities (PHAs) to serve their communities.

"The consequences are significant. Well over 10,000 mixed-immigration status family members currently served by one PHA, plus tens of thousands more around the country, would be impacted by the rule, making them more vulnerable to housing instability. HUD's proposal would create more challenges for an already underfunded homeless services and prevention system.

"This policy is antithetical to the mission of the federal public housing program – to provide housing that is safe, decent and affordable to low- and very low-income families, children, seniors, and people with disabilities, and administer the housing choice voucher program.

"We are housers, not ICE agents, but that is exactly what HUD's proposed rule is asking public housing authorities (PHAs) to become by requiring PHA staff to determine the immigration status of every household member and report it into a federal database.

"CLPHA will be submitting public comments in opposition to the proposed rule during the comment period."

About the Council of Large Public Housing Authorities

The Council of Large Public Housing Authorities is a national non-profit organization that works to preserve and improve public and affordable housing through advocacy, research, policy analysis, and public education. CLPHA's 70 members represent virtually every major metropolitan area in the country. Together they manage 40 percent of the nation's public housing program; administer more than a quarter of the Housing Choice Voucher program; and operate a wide array of other housing programs. Learn more at [clpha.org](http://www.clpha.org) (<http://www.clpha.org>) and on Twitter [@CLPHA](https://twitter.com/CLPHA) (<https://twitter.com/CLPHA>) and follow [@housing_is](https://twitter.com/housing_is) (https://twitter.com/housing_is) for news on CLPHA's work to better insect the housing field and other areas of critical importance such as health and education.

###

CLPHA Program(s):

Public Housing (/program-section/public-housing)

Topic(s):

Immigration (/topic/immigration)

Resource type(s):

Statement (/resource-type/statement)

Fresno Housing Authority
Mixed Finance Financial Results
as of 12/31/2018

	Total Mixed Finance	Total Mixed Finance		
# of Units	1697	1697		
	Budget	Actual	\$ Variance	% Variance
NET TENANT INCOME	13,530,459	13,889,132	358,673	3%
TOTAL OTHER INCOME	112,345	193,372	81,027	72%
TOTAL INCOME	13,642,804	14,082,504	439,700	3%
TOTAL PAYROLL EXPENSES	2,669,702	2,559,383	(110,319)	-4%
TOTAL ADMINISTRATIVE EXPENSES	1,965,623	2,047,951	82,328	4%
TOTAL TENANT SERVICES EXPENSES	750,672	679,241	(71,431)	-10%
TOTAL UTILITY EXPENSES	1,786,582	1,689,473	(97,109)	-5%
TOTAL MAINTENANCE EXPENSES	2,560,202	2,666,555	106,353	4%
TOTAL TAXES & INSURANCE EXPENSES	557,182	598,789	41,607	7%
TOTAL EXPENSES	10,289,963	10,241,392	(48,571)	0%
NET OPERATING INCOME	3,352,841	3,841,112	488,271	15%
TOTAL NON-OPERATING EXPENSES	1,608,580	1,805,345	196,765	12%
NET CASH FLOW	1,744,261	2,035,767	291,506	17%



Development Update

*Boards of Commissioners Meeting
May 28, 2019*



Presentation Overview

- Mariposa Meadows
- Orchard Apartments
- Willow & Alluvial
- Renaissance at Cincotta
- Kingsburg Seniors
- Barstow Commons
- Econo Inn
- Blackstone & Simpson
- Huron

Mariposa Meadows

- Rehabilitation of 40 existing multifamily housing units, community building improvements and upgrade of onsite laundry facilities and common areas
- Site is located on 5.82 acres at 1101 W. Atchison in Southwest Fresno
- Low-Income Housing Tax Credit (LIHTC) award was accepted at the September 2018 Board meeting
- Project closed and construction began on May 10, 2019

Orchard Apartments – Item 8.a.

- 40 multifamily housing units located on 3.29 acres at 295 S Newmark in Parlier, CA
- Tax Credit award was accepted at the September 2018 Board meeting
- In October 2018, HRFC loaned the Agency \$500,000 to cover pre-development costs
- The Boards approved omnibus closing resolution at the April 23, 2019 Board meeting
- Closing is expected by May 30, 2019
- *Staff is requesting an additional \$1,000,000 loan from HRFC to satisfy increased development costs incurred related to timing.*
- 100% of pre-development loans and interest earned will be repaid at the time of closing

Orchard Apartments Sources & Uses

EXHIBIT C

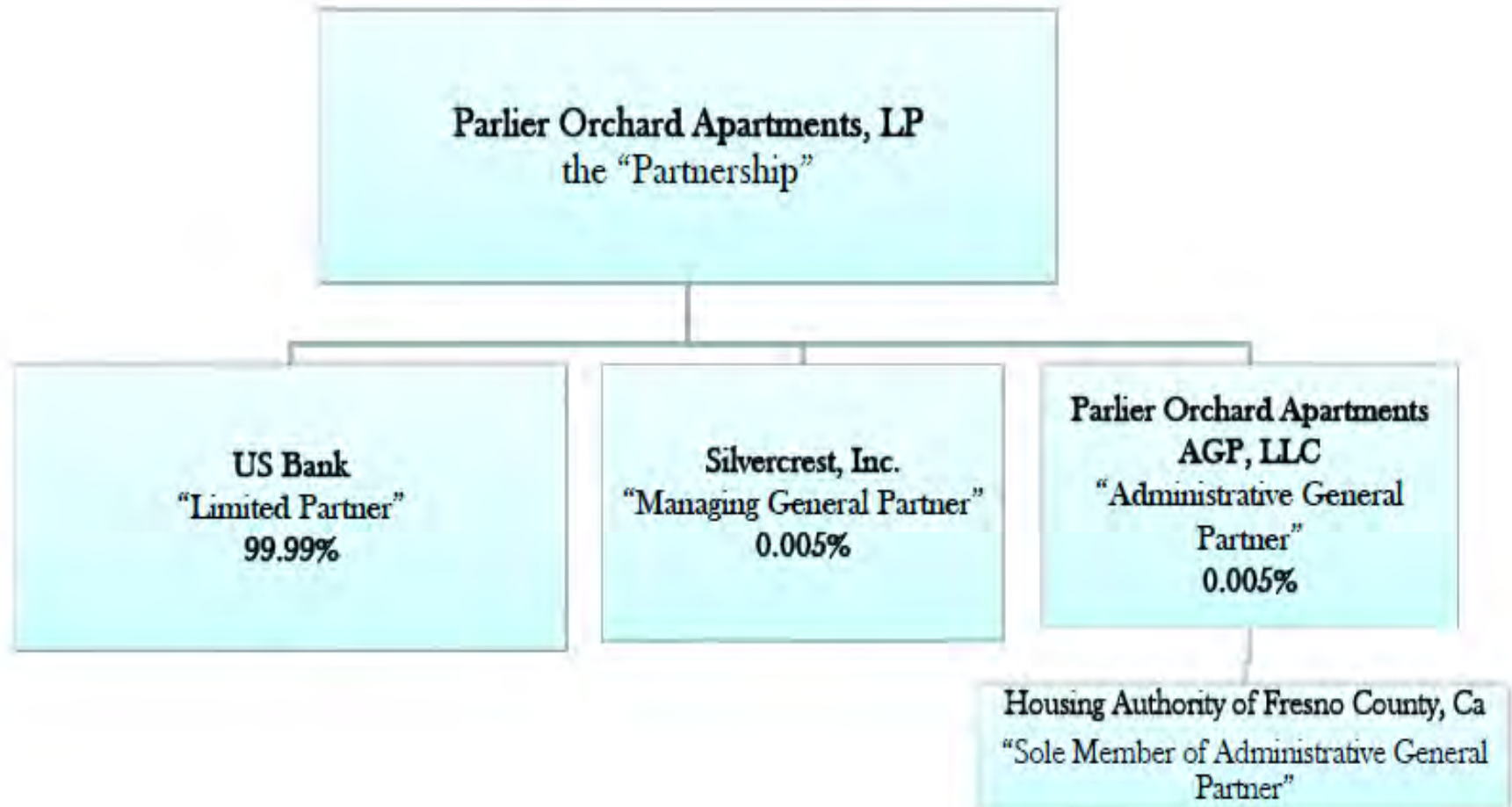
Parlier Orchard Apartments

Pro Forma Sources and Uses

Sources of Funds	5/28/2019
Permanent Loan - Tranche B	\$ 2,620,200
USDA Perm Loan	\$ 16,950
Fresno HA Land & Building Donation	\$ 1,683,050
Income from Ops for Relo Costs	\$ 294,734
Deferred Developer Fee	\$ 467,147
General Partner Contribution	\$ 100
Certificated State Credits Sales Proceeds	\$ 2,011,605
Limited Partner Contribution	\$ 6,637,633
Total Sources of Funds	\$ 13,731,419
Uses of Funds	Amount
Reamortize USDA Perm Loan	\$ 16,950
Land & Building Acquisition Costs	\$ 3,183,050
Construction Costs	\$ 5,162,329
Contingencies	\$ 475,291
Professional Fees	\$ 946,110
Relocation	\$ 569,734
Loan Fees and Other Soft Costs	\$ 1,701,545
Reserves	\$ 704,620
Developer Fee	\$ 971,790
Total Uses of Funds	\$ 13,731,419

*Draft as of 5/28/2019

Orchard Apartments Organizational Chart



Willow & Alluvial (Clovis)

- Project is a proposed 60-unit development on a 4.175 acre parcel located on the Northeast corner of Willow and Alluvial Avenues in Clovis, CA
- Staff submitted a Low-Income Housing Tax Credit (LIHTC) application for Willow & Alluvial on March 4, 2019
- Brown Construction was awarded the GC/CM Contract April 2019
- The project has received confirmation of its point scores and tiebreaker from the California Tax Credit Allocation Committee
- Tax Credit awards will be announced June 12, 2019



Willow & Alluvial Elevations (Clovis) - Draft

Renaissance at Cincotta (Fresno)

- Project is a proposed 28-unit rehabilitation of the Plaza Terrace site located at 4041 Plaza Drive West, Fresno, CA
- Staff submitted a No Place Like Home (NPLH) application on January 30, 2019
- Staff submitted a Low-Income Housing Tax Credit (LIHTC) application on March 4, 2019
- Staff submitted an Affordable Housing Program (AHP) application on March 4, 2019
- The project has received confirmation of its point scores and tiebreaker from the California Tax Credit Allocation Committee
- Tax Credit awards will be announced June 12, 2019
- NPLH and AHP awards will be announced June 2019



Renaissance at Cincotta (Fresno)

Kingsburg Seniors

- Kingsburg Seniors is located on vacant land at the SW corner of Sierra St. and Madsen Ave. in Kingsburg, CA and includes the proposed new construction of 47 senior housing units with a 3,650 sq.ft. of community space
- County of Fresno \$1M HOME award February 2019
- Low-Income Housing Tax Credit (LIHTC) application for Kingsburg Seniors submitted on March 4, 2019
- Staff submitted an Affordable Housing Program (AHP) application on March 4, 2019
- Johnston Contracting was awarded the GC/CM contract
- The project has received confirmation of its point scores and tiebreaker from the California Tax Credit Allocation Committee
- Tax Credit awards will be announced June 12, 2019
- AHP awards will be announced June 2019

Kingsburg Seniors Elevations - Draft



Barstow Commons (Fresno)

- Project is a proposed 42-unit development on a 2.78 acre site located at 130 W Barstow Avenue, Fresno, CA
- The project is located along the Blackstone transit corridor
- Staff are anticipating a Round 2 2019 Low-Income Housing Tax Credit (LIHTC) application
- Staff submitted a No Place Like Home application on January 30, 2019
- No Place Like Home awards will be announced June 17, 2019
- Staff are exploring innovative options for the proposed new construction project, including trauma-informed designed
- Purchase Option expires in early July 2019



Barstow Commons Aerial (Fresno)

Econo Inn (Fresno)

- Project is a proposed 26-unit development on a .64 acre site located at 1828 Broadway Street in Downtown Fresno
- Staff are considering a Round 2 2019 Tax Credit application
- Staff submitted a No Place Like Home (NPLH) application on January 30, 2019
- Staff submitted an Affordable Housing Program (AHP) application on March 4, 2019
- NPLH and AHP awards - announced June 2019
- Purchase Option expires in early July 2019



Econo Inn Aerial (Fresno)



**Econo Inn Street View
(Fresno)**



**Econo Inn Street View
(Fresno)**

Blackstone & Simpson (Fresno)

- Staff are exploring options for the potential rehab of a site located at 3039 N Blackstone Avenue, Fresno, CA. The proposed project would be up to 45 units of housing, with the potential for mixed-use commercial on the first floor.
- The proposed project is along the Blackstone transit corridor
- Staff are working to update the project design in preparation for funding applications
- Project is a potential 2019 Round 2 or 2020 Round 1 Low Income Housing Tax Credit (LIHTC) application

Huron Family Apartments

- Project is planned to be 61 units of family housing on 6.6 acres at the Southwest corner of Fresno and 12th streets in Huron, CA
- Property donation proposed from the City of Huron
- Staff needs to finalize construction scope of work, designs, budgets
- ProWest Constructors were awarded the GC/CM contract April 2019
- Financing plan alternatives being analyzed



RODEO EL
NUEVO POTRILLO

Family Dollar

Amigo Market

Ralph's Triangle Service

Huron City Hall

Speedo Mart

NAPA Auto Parts
- ATI Machinery

Angel Meat Co.
Taqueria Y Carniceria

Huron Family Aerial (Huron)



Transfer of Development Proceeds to HRFC

*Fresno Housing Authority
Boards of Commissioners Meeting
May 28, 2019*



Overview

- Background
- Agency's Financial Model
- HRFC Financial Update
- Agency Unrestricted Reserves

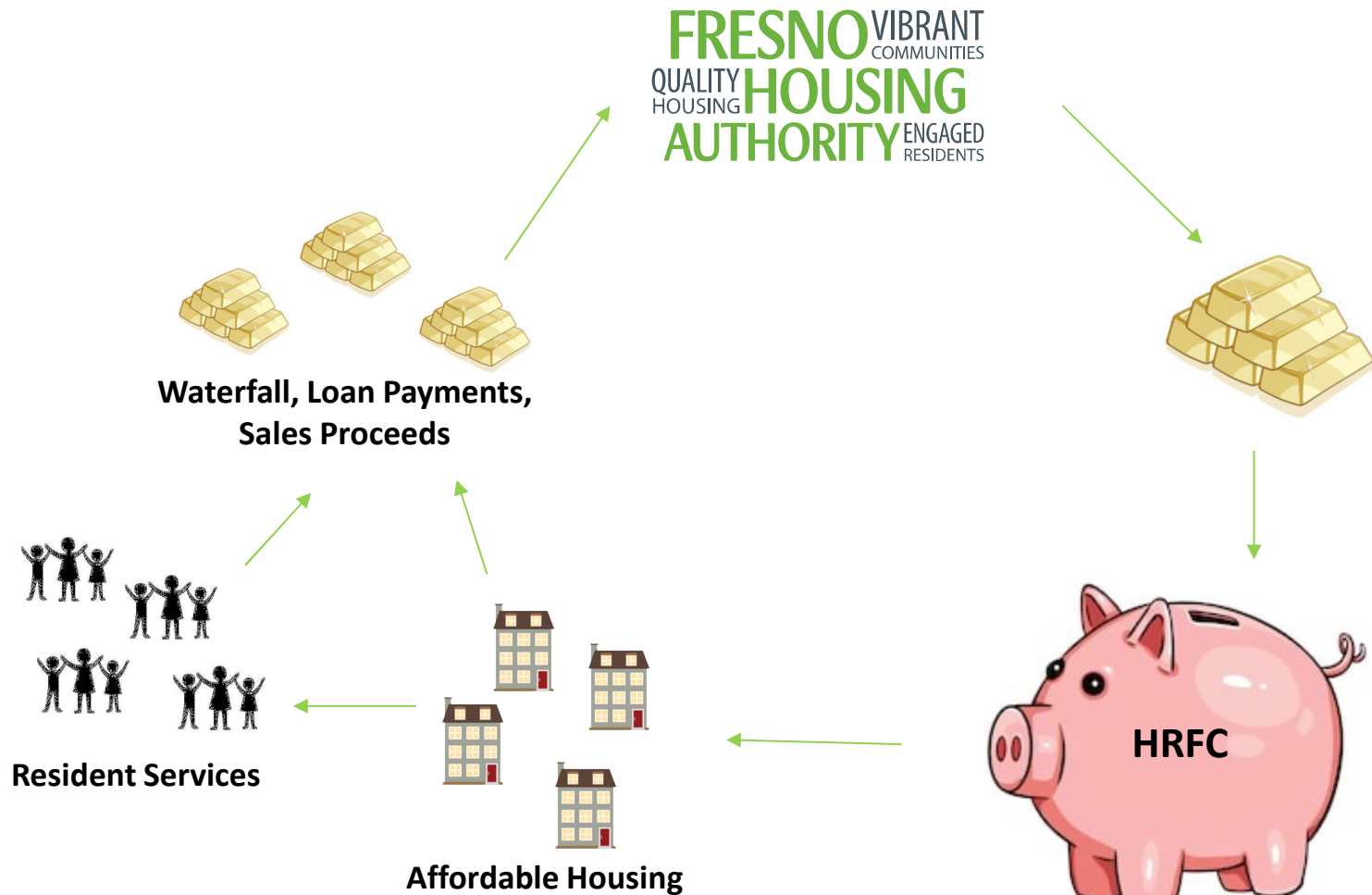
Background Information

- Over the past decade, Fresno Housing has developed over 30 multi-family housing complexes across Fresno County
- These developments provide three substantial benefits to the Agency and community
 - Providing quality, affordable homes for families, seniors, Veterans and homeless individuals, which will continue to be long-term community assets
 - Financial returns that are reinvested our core programs and services, helping over 50,000 families attain their goals
 - Act as a regional economic generator bringing over \$450 million dollars of private/public investment to Fresno County

FH Financial Model

- The Agency has created a financial model that:
 - Creates unrestricted revenue to the HA
 - A portion of unrestricted revenue is transferred into HRFC to further the supply of affordable housing
 - HRFC dollars are invested into housing developments that provide homes and on-going resident services to those families
 - Those developments produce more unrestricted cash flow that is then reinvested into the Agency and its core programs (like HCV, resident services, development)

Development-Resident Services Cycle



Development Benefits

- As the federal government has disinvested from resident services (decrease in HCV Admin and FSS/ROSS program), it's important that we find resources to fund resident services
- Development has created the opportunity to provide more housing options, as well as:
 - The opportunity to serve more families through resident services
 - Allows us to invest in core programs and strategic goals

Updated HRFC Inflows

Potential Inflows	February	May
<i>San Ramon Loan Proceeds</i>	1.00	1.00
<i>Development Proceeds</i>	1.50	1.50
<i>Mariposa Sales Proceeds</i>	-	0.50
<i>Orchard Sales Proceeds</i>	-	2.50
<i>Construction Loan Repayments</i>	0.50	0.50
<i>2018 Waterfall Payments</i>	1.00	0.50
Total	4.00	6.50

- Chart shows February projections compared to our current projected inflows
- Staff will be asking the Boards to approve the transfer of Mariposa and Orchard sales proceeds in the future

Agency Unrestricted Reserves

Unrestricted Reserves	\$ Change	Balance
2013 Financial Results	1,570,359	1,570,359
2014 Financial Results	1,368,730	2,939,089
2015 Financial Results	153,228	3,092,317
2016 Financial Results	261,439	3,353,756
2017 Financial Results	920,239	4,273,995
2018 Financial Results	1,545,106	5,819,101
2019 Budget	(1,124,696)	4,694,405
Total Unrestricted Reserves	4,694,405	
<i>Recommended Transfer to HRFC</i>	<i>(1,500,000)</i>	
Unrestricted Reserves	3,194,405	

- As of 12/31/2018, unrestricted reserves were at \$5.8 million
- The 2019 Budget included deficit spending of \$1.1 million
- After the \$1.5m transfer between HA and HRFC, unrestricted reserves are projected to be \$3.2 million at year-end.

Recommendation

Staff recommends that the Boards approve the transfer of \$1.5 million in development proceeds to HRFC to be used in accordance with the mission of FH and HRFC.



HUD's Moving to Work Program – Submission of Letter of Interest

*Fresno Housing Authority
Boards of Commissioners Meeting
May 28, 2019*



Overview

- Overview of Moving to Work (MTW) Program
- MTW Expansion
- Advantages & Disadvantages of MTW Status
- Application Process & Requirements
- Recommendation

What is Moving to Work (MTW)?

- Established by HUD in 1996
- Currently 39 MTW Public Housing Authorities (PHAs)
- Offers PHAs the opportunity to design and test innovative, locally-designed housing and self-sufficiency strategies and more cost-effective program administration
- Allows PHAs exceptions to certain public housing and HCV rules and to use funds flexibly

MTW Expansion

- 2016 Appropriations Act authorized 100 additional PHAs to join the MTW program
- MTW Expansion PHAs will be added four “cohorts” that will test specific policy changes
 1. MTW Flexibility
 2. **Rent Reform**
 3. Work Requirements
 4. Landlord Incentives

Advantages of MTW

1. Regulatory relief to test innovative policies and programs
2. Financial flexibility and administrative cost efficiencies
3. Increased resident self-sufficiency and household earnings
4. Provide increased housing choices for families

Disadvantages of MTW

1. Increased administrative burden for data collection and reporting
2. MTW Expansion requires specific policies be tested. Cohort #2 is testing Rent Reform

Cohort #2 – Rent Reform

- Currently, PHAs are required to use the Brooke Amendment rent model (rent payment is no more than 30% of income)
 - Common critiques for this model include complicated calculation for rent and adjusted gross income, and implicit tax on additional income
- Cohort #2 would test four alternative rent models based on a tiered or stepped rent system
 - Goals include incentivize higher earnings, minimize hardship, reduce administrative burden, budget neutral

Application Process & Requirements

- June 12: Interested PHAs must submit a Letter of Intent package
 - Letter of Interest (LOI) responding to specific question regarding Cohort #2
 - Board Resolution
 - Summer 2019: PHAs will be selected to submit full applications
 - Fall 2019: Full applications for Cohort #2 due
 - Spring 2020: Cohort #2 agencies will be announced
- **At anytime in this process, a PHA can withdraw their application/LOI*

Recommendation

- Approve the updated resolution:
 - Authorizing the ED to submit a Letter of Interest to obtain MTW status under the second cohort
 - Confirming FH's willingness to evaluate MTW Test Rent #1-4, with potential modifications
 - If FH is invited to submit a full application, the Boards must approve the application prior to submission

BOARD MEMO

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 Fresno, California 93721
 TTY (800) 735-2929

www.fresnohousing.org

TO: Boards of Commissioners

Fresno Housing Authority

FROM: Preston Prince

CEO/Executive Director

DATE: May 20, 2019

BOARD MEETING: May 28, 2019

AGENDA ITEM: 8c

AUTHOR: Emily De La Guerra

SUBJECT: Consideration of Letter of Interest Submission for Moving to Work Program – U.S. Department of Housing and Urban Development

Executive Summary

The purpose of this memo is to request approval from the Boards of Commissioners to submit a Letter of Interest (LOI) package to the U.S. Department of Housing and Urban Development (HUD) expressing interest in admission to the Moving to Work (MTW) Program – Cohort #2 for both the Housing Authority of the City of Fresno and the Housing Authority of Fresno County. This LOI would provide the agency with the opportunity to review and analyze the potential benefits of the program to the agency and develop potential rent reform strategies that staff would bring back to the boards for a possible formal application when it becomes due in the Fall of 2019. The LOI would be non-binding and any application would be revocable until a final agreement for MTW status would be offered by HUD sometime in 2020.

The MTW Program was established in 1996 for the purpose of providing housing authorities the opportunity to design and test locally-designed strategies that use Federal dollars efficiently, help residents become self-sufficient, and increase housing choices for low-income families. The MTW Program has traditionally provided PHAs with regulatory flexibility and funding flexibility to test these local strategies.

Studies have been conducted examining the effectiveness of the MTW Program and have generally concluded that it provided numerous benefits to MTW PHAs and the residents, most notably the ability to increase housing options for residents and increase in self-sufficiency of residents, and in numerous cases, the agencies also had increases in cost effectiveness of their operations. While Congress has allowed a minor expansion of MTW since its inception in 1996, there are currently only 39 MTW agencies and this is the only significant expansion of the MTW Program.

On March 14, 2019, HUD issued PIH Notice 2019-04, which offers eligible PHA's the opportunity to express interest in admission to the MTW program under Cohort #2, which will test rent reform policies and their impacts on families. In this first step, interested PHA's that meet the eligibility criteria will need to

submit a Letter of Interest package to HUD by June 12, 2019. The Letter of Interest package includes:

1. A Letter of Interest from the PHA stating the desire to obtain MTW designation under the second cohort of the MTW Expansion.
2. A resolution signed by the Board of Commissioners approving the PHA's desire to obtain MTW designation under the second cohort of the MTW Expansion.

The submission of a Letter of Interest package does not constitute formal entry or agreement to enter into the MTW demonstration. HUD will use the packages to conduct an eligibility review of interested PHA's and will notify PHAs of their eligibility status in the summer of 2019. Those PHAs that meet the eligibility requirements, as determined by HUD, will be invited to submit a full application for Cohort #2.

HUD's intention for Cohort #2 is to test a variety of rent models in order to understand how various rent models can incentivize higher earnings, minimize hardship to residents, and reduce administrative burden. Staff would analyze the impact of the proposed rent models on residents and the agency operations and develop recommendations to bring back to the Boards for discussion before the final application would be due in the Fall of 2019, should the agency be invited to make a full application.

Recommendation

It is recommended that the Boards of Commissioners consider and approve the attached resolutions stating the Housing Authority of the City of Fresno's and the Housing Authority of Fresno County's desire to obtain MTW designation under the second cohort of the MTW Expansion and stating the intention to comply with the MTW objectives and statutory requirements and the Operations Notice (which is not yet final). Both agencies would be willing to evaluate Test Rent #1, Test Rent #2, Test Rent #3 and Test Rent #4 and propose modifications as allowed and submit a letter of interest describing the proposed modifications.

Fiscal Impact

There is no fiscal impact for submitting a Letter of Interest package. Staff will come back to the Boards with more information on the financial impact of submitting a full application for Cohort #2, at the discretion of the Boards.

Background Information

The Moving to Work Demonstration Program began in 1996 and there are currently 39 MTW housing authorities nationwide. In 2016, an MTW Expansion Statute was passed, which requires HUD to increase the MTW Demonstration Program by 100 PHAs over seven years. PHAs must be selected from High Performers in either SEMAP or PHAS, represent geographic diversity across the country, and administer HCV's only, public housing only or both HCV's and public housing. PHA's must also fall within the following categories:

- No less than 50 PHAs shall administer 1,000 or fewer aggregate authorized public housing and HCV units;
- No less than 47 PHAs shall administer 1,001-6,000 aggregate authorized public housing and HCV units;
- No more than 3 PHAs shall administer 6,001-27,000 aggregate authorized public housing and HCV units; (City HA = 7,665, County HA = 6,259)
- No PHA shall be granted the designation if it administers in excess of 27,000 aggregate authorized public housing and HCV units; and

- Five of the PHAs selected shall be agencies with portfolio awards under the Rental Assistance Demonstration (RAD).

Policies to be tested under the MTW Expansion, in no particular order except for the first and second cohorts, include:

- Overall Impact of MTW Flexibility: In the first cohort, the overall effects of MTW flexibility on a PHA and the residents it serves will be evaluated.
- Rent Reform: In the second cohort, different rent reform models that may or may not be income based will be evaluated. Below are the four rent policies that PHAs will have the option to test under Cohort #2.
- Future Cohort - Work Requirements: In this cohort, work requirements for residents/participants who are at least 18 years old, non-elderly and non-disabled will be evaluated.
- Future Cohort - Landlord Incentives: This cohort will evaluate how to improve landlord participation in the HCV program through incentives such as participation payments, vacancy payments, alternate inspection schedules and other methods.

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF FRESNO

RESOLUTION TO APPROVE THE SUBMISSION OF A LETTER OF INTEREST TO THE U.S.
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE MOVING TO WORK
PROGRAM

WHEREAS, the Board of Commissioners ("Board") authorizes the Executive Director to submit to the U.S. Department of Housing and Urban Development (HUD) a letter of interest in obtaining Moving to Work (MTW) designation under the second cohort of the MTW Expansion;

WHEREAS, the Executive Director or his designee is authorized to negotiate with HUD the terms, conditions, and plans pursuant to which the Housing Authority of the City of Fresno ("FH") may participate in the MTW program;

WHEREAS, the Board confirms that FH is willing to evaluate MTW Test Rent #1, Test Rent #2, Test Rent #3 and/or Test Rent #4 in the second cohort of the MTW Expansion;

WHEREAS, the Executive Director may propose to modify one or more of the four rent options as proposed in the letter of intent based on the needs of the agency;

WHEREAS, if FH is invited by HUD to submit a full application for MTW designation, the Board must approve that application prior to submission to HUD;

WHEREAS, if selected for MTW designation, and subject to negotiation with HUD of a mutually acceptable final annual contributions contract agreement or other acceptable agreement authorizing MTW participation ("MTW Agreement"), the Board confirms that the Housing Authority of the City of Fresno intends to comply with the objectives and statutory requirements of MTW as well as the MTW Operations Notice, once it is final;

PASSED AND ADOPTED THIS 28th DAY OF MAY, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Preston Prince, Secretary of the Boards of Commissioners

RESOLUTION NO. _____

BEFORE THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF FRESNO COUNTY

**RESOLUTION TO APPROVE THE SUBMISSION OF A LETTER OF INTEREST TO THE U.S.
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE MOVING TO WORK
PROGRAM**

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WHEREAS, the Board confirms that FH is willing to evaluate MTW Test Rent #1, Test Rent #2, Test Rent #3 and/or Test Rent #4 in the second cohort of the MTW Expansion;

WHEREAS, the Executive Director may propose to modify one or more of the four rent options as proposed in the letter of intent based on the needs of the agency;

WHEREAS, if FH is invited by HUD to submit a full application for MTW designation, the Board must approve that application prior to submission to HUD;

WHEREAS, if selected for MTW designation, and subject to negotiation with HUD of a mutually acceptable final annual contributions contract agreement or other acceptable agreement authorizing MTW participation (“MTW Agreement”), the Board confirms that the Housing Authority of Fresno County intends to comply with the objectives and statutory requirements of MTW as well as the MTW Operations Notice, once it is final;

PASSED AND ADOPTED THIS 28th DAY OF MAY, 2019. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the governing body with the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Preston Prince, Secretary of the Boards of Commissioners



Consideration of Amended Procurement Policy

Boards of Commissioners Meeting

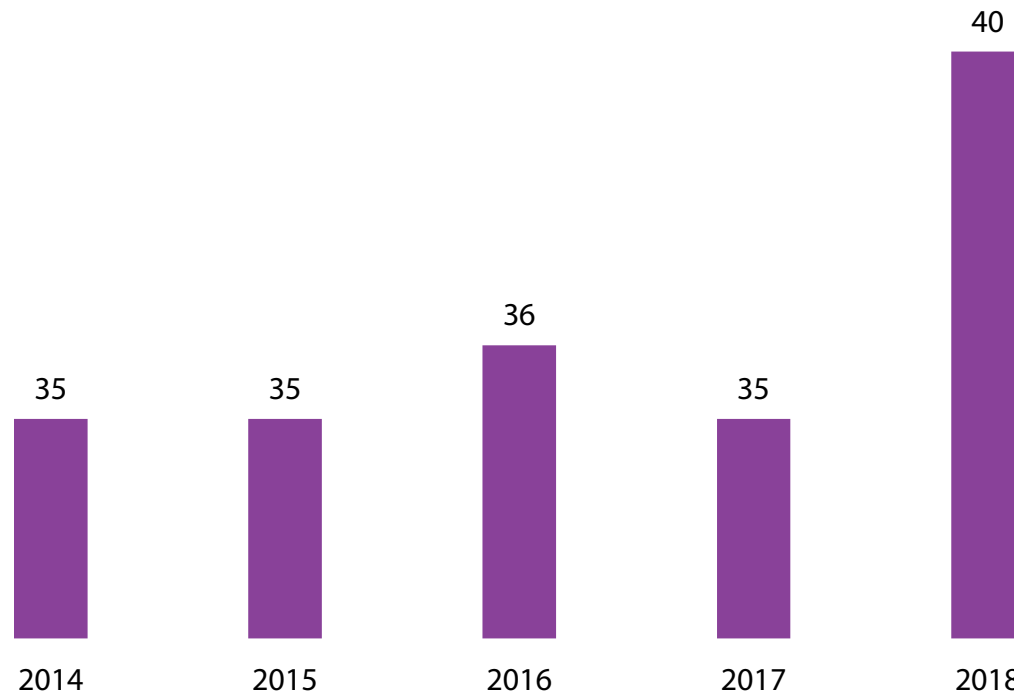
Fresno Housing Authority

May 28, 2019

Overview

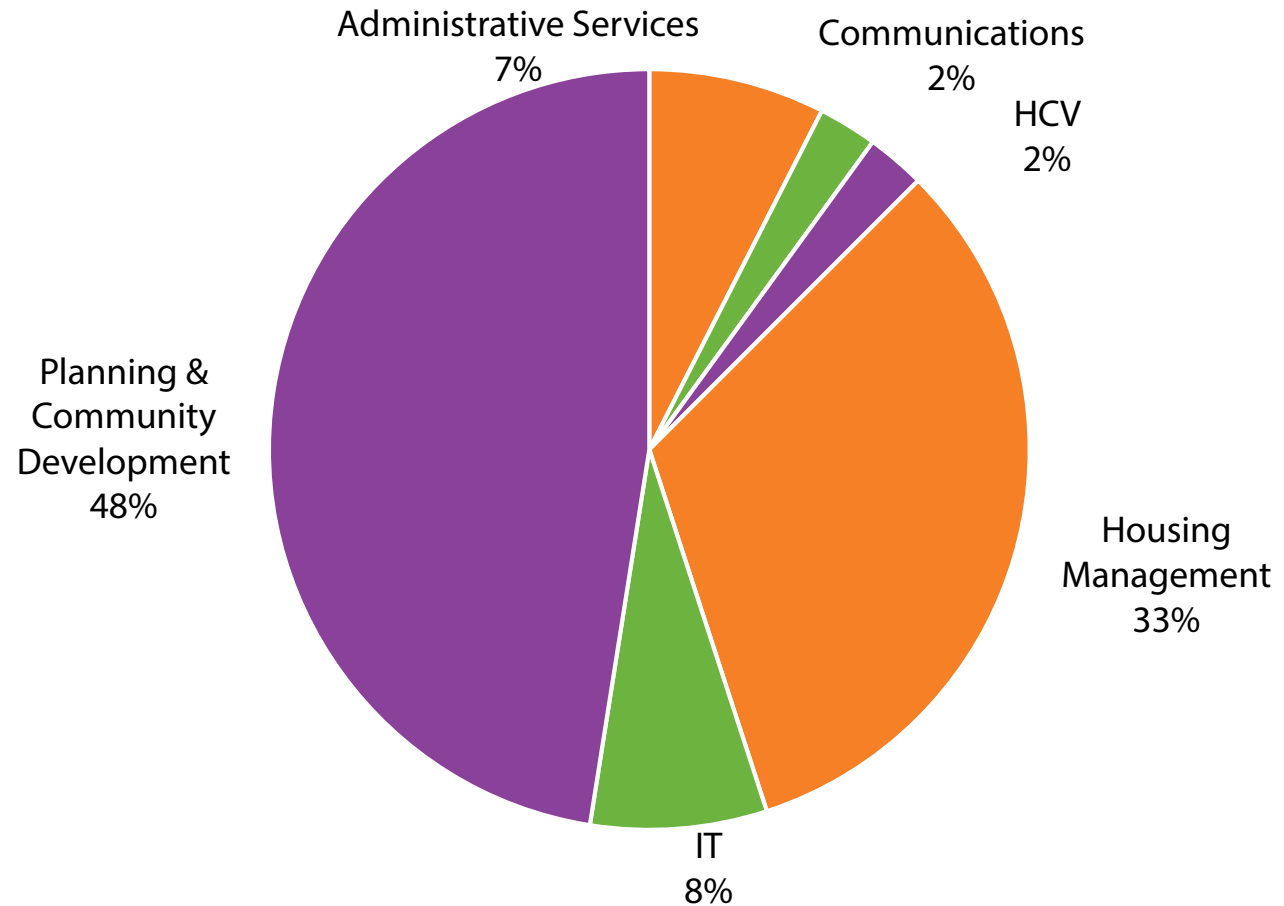
- Procurement is the act of finding, acquiring, and/or buying goods or services from an external source, often via a competitive bidding process.
- The purpose of the Agency's procurement policy is to:
 - Clearly define the authority, responsibility, and guidelines for the Agency's purchasing and contracting functions,
 - Simplify and summarize the myriad of laws and regulations governing procurement,
 - Enable uniform purchasing procedures throughout the organization,
 - Provide fair and equitable treatment for all vendors,
 - Ensure that supplies and services are procured efficiently, effectively and at the most favorable prices,
 - Protect against corruption, waste, fraud, and abuse.

Procurement Metrics: Number of Procurements Per Year



- Average number of formal solicitations completed per year: 36
 - Does not include micro-purchases

Procurement Metrics: Procurements by Department



Procurement Metrics: Average Bids by Procurement Type



RFP = Request for Proposals

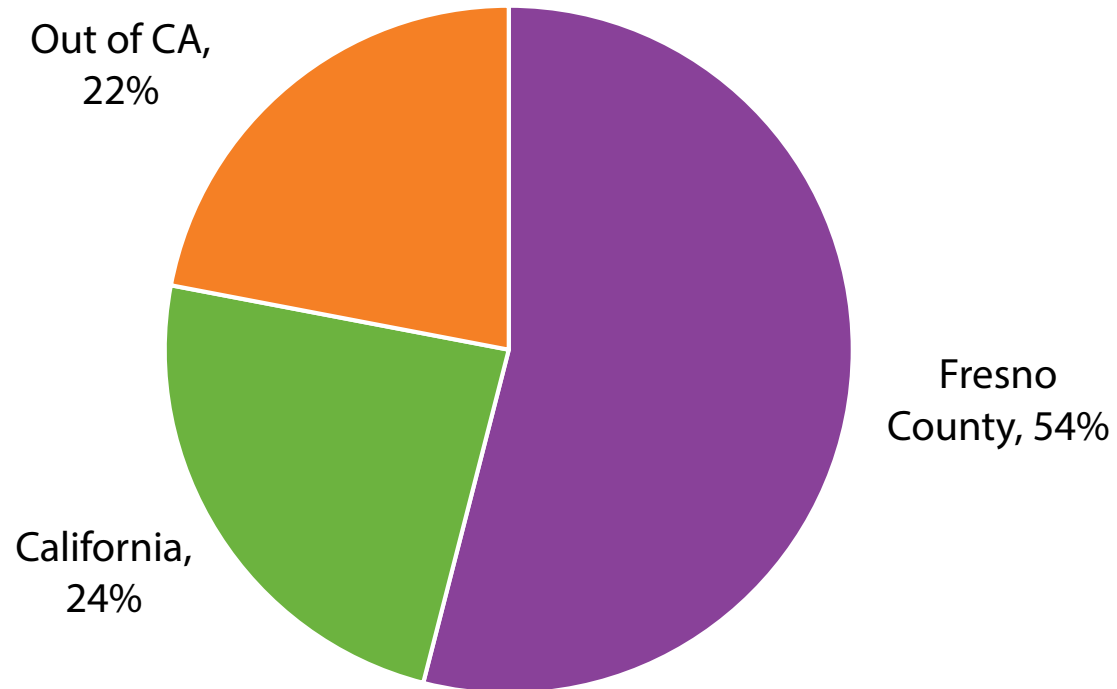
IFB = Invitation for Bid

QSP = Quotes for Small Purchase

Restrictions on Geographical Preferences

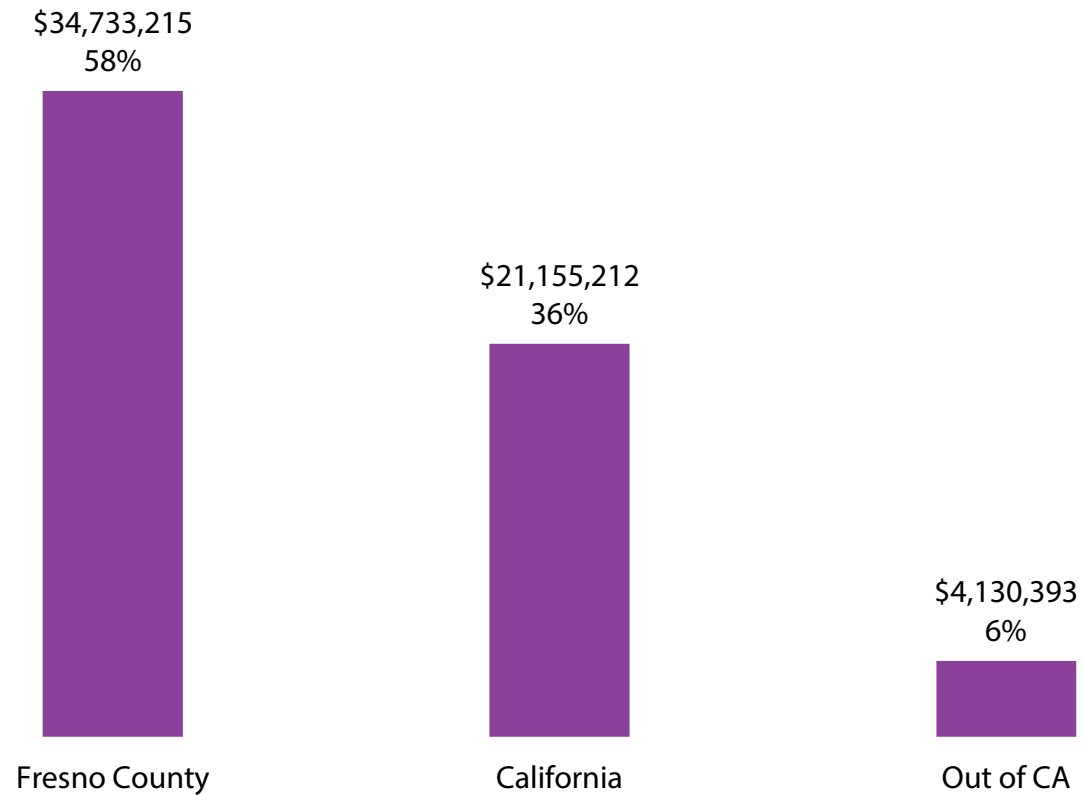
- Any preference given for location is not allowed, per the HUD Procurement guidelines
 - Per 24 CFR 200.319(b) “...must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals,...”

Procurement Metrics: Agency Vendors by Location

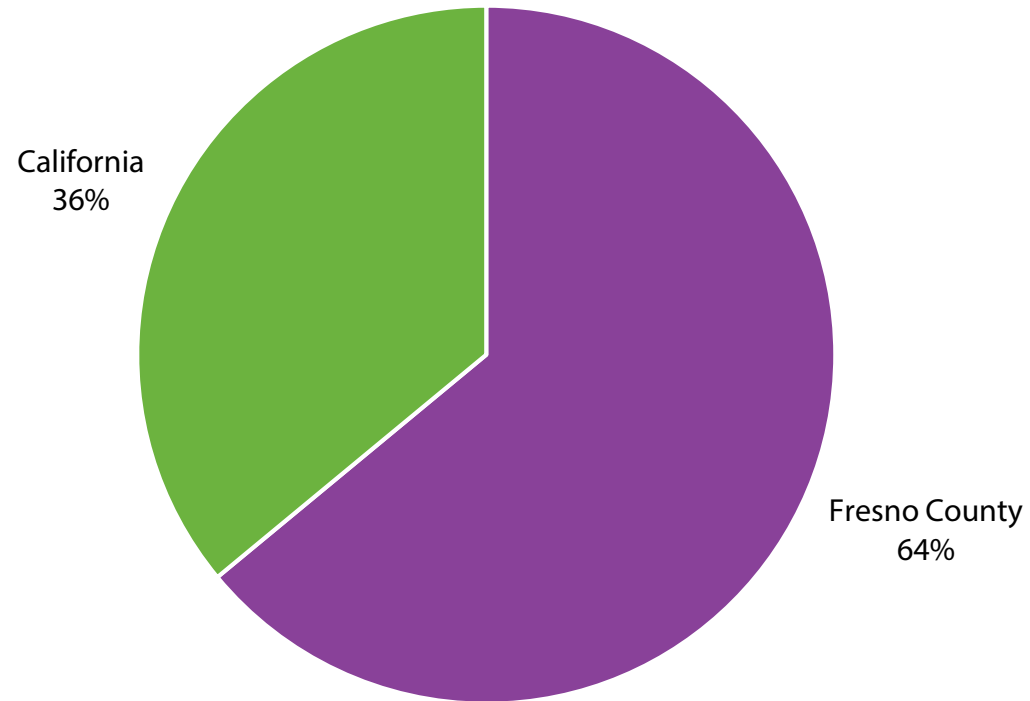


Agency vendors are contractors paid by the agency or affiliated entities. Does not include subcontractors or landlords participating in HCV.

Procurement Metrics: Total Vendor Payments by Location

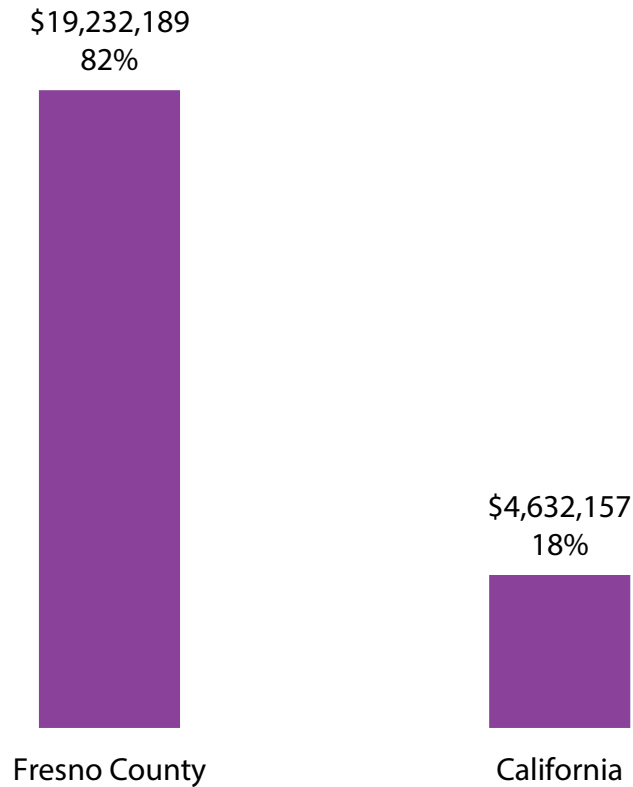


Procurement Metrics: Subcontractors by Location



***Magill Terrace & Oak Grove**

Procurement Metrics: Total Subcontractor Payments by Location



***Magill Terrace & Oak Grove**

Amended Procurement Policy

- Current Procurement Policy was adopted by the Boards in 2015 and was based on the HUD Procurement Handbook
- Since then, there have been several regulatory changes to the procurement rules that guide our policy
- Overarching goals of this amendment is to:
 - Update the policy for varying purchasing limits
 - Streamline and strengthen the policy, where needed
 - Reduce inconsistencies and duplication, and
 - Further bifurcate policies and procedures based on funding source
- Changes in the policy reflect a broad framework of rules that will be supplemented by specific procedures for each funding source
 - HUD Handbook for LIPH, CFP
 - 2 CFR Part 200 for Federal Grants
 - California Constitution for all other

Major Changes from Previous Policy

- **Updates for varying purchasing limits**
 - Section 1.5, Section 1.5.1, Section 3.3.2
- **Streamlining and strengthening language**
 - Section 2.2, Section 3.1, Section 3.3.4, Section 3.3.5, Article 8, Article 9, Section 12.1, Article 13, Article 15
- **Reduce inconsistencies and duplication**
 - Section 3.2, Section 4.1, Section 4.3, Section 4.6, Section 6.2, Section 11.2 & 11.3, Article 15, Article 17
- **Separating policies and procedures based on funding source**
 - Section 3.3, Section 3.3.7

Recommendation

Staff recommends that the Boards approve and adopt the proposed Procurement Policy.