HOUSING AUTHORITY of the COUNTY OF CONTRA COSTA

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

FEDERAL D. GLOVER, CHAIR
KAREN MITCHOFF, VICE CHAIR
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DIANE BURGIS
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JANNEL GEORGE-ODEN

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

PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO AN ITEM THAT IS ON THE AGENDA, WILL BE LIMITED TO TWO (2) MINUTES.

The Board Chair may reduce the amount of time allotted per speaker at the beginning of each item or public comment period depending on the number of speakers and the business of the day.
Your patience is appreciated.

A closed session may be called at the discretion of the Board Chair.

Staff reports related to open session items on the agenda are also accessible on line at www.co.contra-costa.ca.us.

AGENDA
December 12, 2017

1:30 P.M. Convene and call to order.

CONSIDER CONSENT ITEMS: (Items listed as C.1 through C.1 on the following agenda) - Items are subject to removal from the Consent Calendar by request from any Commissioner or on request for discussion by a member of the public. Items removed from the Consent Calendar will be considered with the Discussion Items.

DISCUSSION ITEMS

D. 1 CONSIDER Consent Items previously removed.

D. 2 PUBLIC COMMENT (2 Minutes/Speaker)

D.3 HEARING to consider adoption of Resolution No. 5208, entitled the "PHA Certification of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the PHA 5-Year and Annual PHA Plan", approving the Public Housing Agency (PHA) Annual Plan for fiscal year 2018, including revisions to the Admissions and Continued Occupancy Plan and the Section 8 Administrative Plan.

ADJOURN

CONSENT ITEMS:

C.1 ACCEPT the financial and program compliance audit report for the period April 1, 2016, through March 31, 2017, prepared by Harn & Dolan CPA's, Walnut Creek, California.

GENERAL INFORMATION

Persons who wish to address the Board of Commissioners should complete the form provided for that purpose and furnish a copy of any written statement to the Clerk.
All matters listed under CONSENT ITEMS are considered by the Board of Commissioners to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Commission votes on the motion to adopt.

Persons who wish to speak on matters set for PUBLIC HEARINGS will be heard when the Chair calls for comments from those persons who are in support thereof or in opposition thereto. After persons have spoken, the hearing is closed and the matter is subject to discussion and action by the Board.

Comments on matters listed on the agenda or otherwise within the purview of the Board of Commissioners can be submitted to the office of the Clerk of the Board via mail: Board of Commissioners, 651 Pine Street Room 106, Martinez, CA 94553; by fax: 925-335-1913; or via the County's web page: www.co.contracosta.ca.us, by clicking "Submit Public Comment" (the last bullet point in the left column under the title "Board of Commissioners.")

The County will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk of the Board at least 24 hours before the meeting, at (925) 335-1900; TDD (925) 335-1915. An assistive listening device is available from the Clerk, Room 106. Copies of taped recordings of all or portions of a Board meeting may be purchased from the Clerk of the Board. Please telephone the Office of the Clerk of the Board, (925) 335-1900, to make the necessary arrangements.

Applications for personal subscriptions to the monthly Board Agenda may be obtained by calling the Office of the Clerk of the Board, (925) 335-1900. The monthly agenda may also be viewed on the County's internet Web Page: www.co.contra-costa.ca.us

The Closed session agenda is available each month upon request from the Office of the Clerk of the Board, 651 Pine Street, Room 106, Martinez, California, and may also be viewed on the County's Web Page.

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

D.3

To: Contra Costa County Housing Authority Board of Commissioners

From: Joseph Villarreal, Housing Authority

Date: December 12, 2017

Contra
Costa
County

Subject: PUBLIC HOUSING AGENCY ANNUAL PLAN FOR FISCAL YEAR 2018

RECOMMENDATIONS

OPEN the public hearing on the Housing Authority's Annual Plan for fiscal year 2018, RECEIVE testimony, and CLOSE the public hearing.

ADOPT Resolution No. 5208 titled the "PHA Certification of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the PHA 5-Year and Annual PHA Plan" approving the Public Housing Agency (PHA) Annual Plan for fiscal year 2018, including revisions to the Admissions and Continued Occupancy Plan and the Section 8 Administrative Plan.

BACKGROUND

Any local, regional or state agency that receives funds to operate a federal public housing or housing choice voucher (Section 8) program must submit a Public Housing Agency (PHA) Plan. The PHA Plan is a template that outlines public housing agency policies, programs, operations, and strategies for meeting local housing needs and goals. There are two parts to the PHA Plan: the Five-Year Plan, which each PHA submits to the U.S. Department of Housing and Urban Development (HUD) once every fifth PHA fiscal year, and the Annual Plan, which is submitted to HUD every year.

The Five-Year Plan describes the agency's mission and the long-term goals for achieving that mission over the subsequent five years. The Annual Plan provides details about the PHA's current programs and the resident population served, as well as the PHA's strategy for addressing the housing needs of currently assisted families and

Action of Board On: **12/12/2017** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 12, 2017

Joseph Villarreal, Executive Director

Contact: 925-957-8028

By: , Deputy

cc:

BACKGROUND (CONT'D)

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the larger community. The Annual Plan also serves as the PHA's yearly request for grants to support improvements to public housing buildings (through the Capital Fund Program).

As required by HUD, Housing Authority (HACCC) staff provided public notice of this hearing in the Contra Costa Times on October 23 and 25, 2017. Staff met with the agency's Resident Advisory Board (RAB) on October 18, 2017, November 1, 2017, November 15, 2017, and November 29, 2017 to discuss the proposed Plan. The RAB approved the proposed changes to the Annual Plan at the November 29, 2017 meeting.

The following sections discuss the major changes proposed by staff to the Annual Plan, its elements and to HACCC's policies.

Public Housing

The changes proposed to HACCC's Admissions and Continued Occupancy Plan are as follows:

Adopt a smoke-free housing policy that bans the use of tobacco products in all public housing living units and interior areas (including, but not limited to, hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures), as well as in outdoor areas within 25 feet from public housing and administrative office buildings in which public housing is located.

HACCC shall designate and create smoking areas outside the restricted areas as funding permits. The Housing Authority will ensure that the area is accessible for persons with disabilities in accordance with the Housing Authority's obligations under Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, and the Fair Housing Act.

Capital Fund

The Capital Fund program provides PHAs with annual funding from HUD for public housing development, financing and modernization as well as for management improvements and security costs. Capital fund dollars cannot be used for luxury improvements, direct social services, costs funded by other HUD programs or any other ineligible activities as determined by HUD on a case-by-case basis. PHAs must report annually on how they plan to use outstanding capital funds as part of the PHA Plan process.

The proposed PHA Plan shows ongoing and planned capital fund activity. The following projects have been drafted for HACCC's Federal Fiscal Year (FFY) 2016, 2017, and 2018 capital fund grants:

- $1,441,000 for relocation costs during the RAD disposition of Las Deltas in North Richmond.
- $427,000 for non-routine maintenance repairs (ordinary maintenance items such as window and flooring replacement or electrical repair where the scale of damage is beyond the scope of day-to-day maintenance) at various properties.
- $336,000 for site improvements to all properties, including ADA and landscape modernization.
- $229,000 for unscheduled and emergency unit modernization and site improvements at various properties.
- $220,000 for agency-wide replacement of smoke detectors in all public housing units.
- $143,000 for landslide repair at Alhambra Terrace in Martinez.
- $70,000 for office, networking and computer equipment for on-site management offices at various properties.
- $62,000 for new appliances at various properties.
- $30,000 for construction and rehabilitation of on-site management offices at various properties.

Housing Choice Voucher

As required by the Housing Opportunity Through Modernization Act of 2016 (*HOTMA*), the following changes are proposed to HACCC's Administrative Plan:

- Revise the definition of an Independent Student for the purposes of determining if a student would qualify for housing assistance independent of their parent(s) income. Additionally, add the new classification of a vulnerable youth and what would define them as being eligible for assistance as an independent student;
- Add a topic to the applicant and resident briefing provided prior to issuance of the Housing Choice Voucher that requires HACCC to explain the advantages of moving to a low-poverty area;
- Add language regarding what constitutes life-threatening violations of the Housing Quality Standards required by HUD of all assisted units;
- Add language that specifies that HACCC must complete a risk assessment of a dwelling unit within 15 days after receiving a notification from a public health department or other medical provider of elevated blood lead of a child 6 years old or less living in an assisted unit;
- Add language to align the definition of what constitutes the actionable definition of an elevated blood lead level to be less than or equal to 5 µg/dL (micrograms per deciliter) which is consistent with HUD regulations and the Centers for Disease Control and Prevention.
- Revise the definition of PHA-Owned Units for the purpose of determining whether a PHA has an ownership interest in a project-based voucher (PBV) assisted project and requires the use of a third-party independent entity to conduct selection, rent reasonableness and inspections of PHA-owned units;
- Add language that defines when HACCC will deny a portability transaction due to insufficient funding. HACCC can delay, but shall keep the transfer open indefinitely until such a time as funding is available to permit the transfer.
- Update language requiring that families whose assistance is being terminated be provided with a Notice of VAWA Rights and HUD Form 5382. These are new form references for all VAWA activity;
- Re-define the payment standard for manufactured homes to be the lesser of the family unit size or the size of the dwelling unit rented by the family. This aligns with the definition of the payment standard for all other housing types under the Housing Choice Voucher Program;
- Add the monthly payment made to amortize the initial loan borrowed to purchase a manufactured home to the items included in determining the Space Rent for the manufactured home;
- Clarify HACCC's policy to indicate that sign and language interpreters will be provided at HACCC's expense when needed for an informal hearing. Currently, HACCC policy states that it will be at the family's expense;
- Add language adopting an Emergency Transfer Plan and Request for Emergency Transfer form for victims of domestic violence under the VAWA statutes. Also proposed adding a reference to the new VAWA Notice of Occupancy Rights, VAWA Certification of the tenant, Tenant Statement Form HUD-5832 and Sample Notice to Housing Choice Voucher Owners and Managers Regarding the VAWA Act and committed to posting these documents on HACCC's website and as exhibits to chapter 16 of the Administrative Plan;
- Change the method of calculating the maximum PBV assistance from 20% of budget authority for the Voucher program to 20% of the Authorized Units for the voucher program;
- Add the ability to project-base an additional 10% of authorized PBV units for units targeted to homeless, veterans or units providing supportive services, and also for units in census tracts with a poverty rate of less than 20%;
- Specify under what circumstances PBV assisted units cannot be counted against the 20% cap on total PBV-assisted units. These include RAD units, formerly public housing, HUD Project Based Rental Assistance (PBRA), HUD 811, HUD 202, Rent Supplement and Rental Assistance Program (RAP) housing units. In addition, for all such properties, 100% of the units can be assisted with PBV assistance;
- Further clarifies that for units exempt from the 20% threshold that are New Construction, they must be replacing housing that was assisted within five years from the project selection date and on the site of the original project. In addition, former residents must be provided a preference for returning to the site, the project was specifically identified as replacement housing for the original site and if the PBV assistance is for

more than the original number of units at the site, the added units cannot be considered for the exception to the 20% exception threshold;

- Adds HUD VASH PBV Set-Aside units to the list of excepted units when determining the 20% of assisted units threshold for PBV assistance;
- In projects that are exempt from being counted toward the PBV 20% threshold, 100% of the units in the project can receive project-based voucher assistance;
- Clarify language about what HACCC must do prior to issuing a Request For Proposals for PBV assistance or awarding PBV assistance based on a non-competitive selection;
- Change the maximum number of units that can be assisted with PBV assistance from 25% of a project to the greater of 25 units or 25% of the units in the project;
- Revise language regarding what constitutes proper exceptions to the 25 unit or 25% of total unit maximum threshold. Now includes only units targeted to elderly, units providing supportive services or units located in a census tract with a poverty rate of 20% or less. This change removes units targeted to the disabled as an exception for new contracts executed after April 18, 2017;
- Changes the initial term of PBV HAP Contracts from 15 years to 20 years with a maximum possible extension of 20 years. The cumulative total years of assistance cannot exceed 40 years;
- Grants HACCC authority to extend the initial term of existing PBV contracts to 20 years prior to exercising an extension of HAP Contract option;
- Removes the three-year limit on adding additional PBV assisted units to an existing PBV project subject to proper HUD notification and project and program limitations on assistance;
- Revises the list of PBV-assisted properties to include recent activity;
- Creates a new preference for homeless applicants who wish to apply for units converted from the McKinney Moderate Rehabilitation Single Room Occupancy (SRO) program to RAD PBV;
- Removes language that mandated supportive services participation for exception units. Families must be offered services but HACCC can no longer require participation. Families who were receiving mandated services and no longer wish to participate in the services, shall not be terminated from their housing assistance;
- Adds protections for victims of domestic violence to keep their assistance when they must terminate their lease prior to the expiration of the initial 12-month term of the PBV lease. Ordinarily, this would prevent any further assistance.
- Removes language that referenced old regulations whereby an owner of a project-based voucher property could refer applicants to HACCC when the waiting list was depleted. This is no longer the case since the regulations for the PBV program now require that all referrals to PBV units MUST come from the site-based PBV waiting list.
- Adds language that permits the use of the County's Coordinated Entry System (CES) for referrals to PBV units that are designated as set asides for homeless families. This effectively eliminates any extensive waiting list for these units since referrals are generated and made to the property whenever a vacancy comes up. The affected units will be identified in the Administrative Plan.

In addition to the HOTMA required changes, staff propose to update the Administrative Plan as follows:

- Clarify HUD-required language regarding portability billing to reflect the 90 day deadline for billing the initial PHA;
- Add language to clarify that an informal hearing is not required when a port-in family's voucher expires without the family leasing a unit;
- Clarify that although the Homeownership program permits for a monthly assistance payment or a single down payment assistance grant, HACCC cannot offer the single down payment assistance grant unless funding is allocated by Congress. To date, such funding has not been allocated and thus only monthly assistance may be offered;
- Strike language that requires a resident who requests an informal hearing to present to HACCC any documents relevant to the hearing at least one day prior to the scheduled hearing (they may now be provided at the hearing);
- Add language clarifying that when an owner provides appliances to a unit, they are responsible for either maintaining the appliance if it malfunctions, or removing it from the unit. If they remove it, the unit rent will be reduced to reflect the reduction in services;

- Remove language prohibiting PBV assistance to projects with poverty rates of 75% or more.

A complete copy of the proposed PHA Plan and attachments as well as the Administrative Plan and ACOP are available for review at HACCC's main office.

FISCAL IMPACT

No direct financial impact.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners elect not to approve the PHA Plan, HACCC will be out of compliance with HUD requirements and may not receive any funding via HUD's Capital Fund program until the PHA Plan has been submitted to, and approved by, HUD. HUD may also impose additional sanctions beyond the withholding of Capital Fund moneys.

ATTACHMENTS

ACOP 2018

Goals 2018

HCV Admin Plan 2017 Changes - Redlined Pages

PHA Plan

Attachment B
ACOP Changes

Smoke-Free Public Housing Policy

A. Introduction

A Final Rule issued by the Department of Housing and Urban Development (HUD), PIH-2017-03, requires the Housing Authority to implement a smoke-free policy. This Final Rule improves indoor air quality in the housing; benefits the health of public housing residents, visitors, and Housing Authority staff; reduces the risk of catastrophic fires; and lowers overall maintenance costs. To comply with this Final Rule, the Housing Authority has developed and hereby implements this Smoke-Free Public Housing Policy, hereinafter referred to as "Policy".

B. Definition of Prohibited Tobacco Products

Prohibited tobacco products are defined as:

(1) Items that involve the ignition and burning of tobacco leaves, such as (but not limited to) cigarettes, cigars, and pipes.

(2) To the extent not covered by Section (C)(1) above, waterpipes (hookahs), and

(3) Other tobacco products such as Electronic Nicotine Delivery Systems (ENDS) and other lighted smoking devices used for burning tobacco or any other plant.

C. Restricted Areas

The use of tobacco products as defined above is prohibited in all public housing living units and interior areas (including but not limited to hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures), as well as in outdoor areas within 25 feet from public housing and administrative office buildings (collectively, "restricted areas") in which public housing is located.

D. Designated Smoking Area

The Housing Authority may designate and create smoking areas outside the restricted areas as funding permits. The Housing Authority will ensure that the area is accessible for persons with disabilities in accordance with the Housing Authority's obligations under Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, and the Fair Housing Act.

Attachment B
ACOP Changes

E. Application of Policy

If there is any conflict between this Policy and laws or regulations, the laws and regulations will prevail.

It is the policy of the Housing Authority to fully comply with all Federal, State and local nondiscrimination laws; the Americans with Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity. The Housing Authority shall affirmatively further fair housing in the administration this Policy.

No person shall, on the grounds of race, color, sex, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Policy.

Upon the Effective Date of the Policy, the Housing Authority will uniformly and promptly enforce the Policy. Violations will be addressed in a timely manner. Smoking violations will be treated like any other violation. Residents shall be liable for smoking-related damages to Public Housing units and all other restricted areas. The Housing Authority may charge Residents for damages to a unit beyond normal wear and tear caused by smoking but may not impose monetary fines for violation of the Policy.

F. PHA Responsibilities

The Housing Authority is responsible for enforcing the Policy in accordance with the provisions and requirements specified in the Policy, the Lease, and the Housing Authority's Admission and Continued Occupancy Policy.

The Housing Authority is not required to take steps in response to violations of this Policy unless the Housing Authority has knowledge of the violation.

G. Resident Responsibilities

(1) To assure that no resident, member of the resident's household, or guest engages in:

(a) any smoking of prohibited tobacco products in restricted areas, as described in Section (C) of this Policy, and

(2) To assure that no other person under the resident's control engages in:

(a) any smoking of prohibited tobacco products in restricted areas, as described in Section (C) of this Policy.

Attachment B
ACOP Changes

H. Phase-in Period

Implementation of this Policy will be phased-in prior to full enforcement by the Housing Authority. The Phase-in Period will begin on **January 1, 2018** and end on **June 30, 2018**. Enforcement of the provisions and requirements of the Policy will be suspended until July 1, 2018, with the exception of Section (H). Through the Phase-in Period, the Housing Authority will execute Lease Addendums to incorporate the Smoke-Free Public Housing Policy into existing resident Leases and/or execute new Leases which will include the Smoke-Free Public Housing Policy. Additionally, the Housing Authority will distribute cessation assistance information to residents, answer questions residents may have regarding the Policy and encourage residents to begin exercising the provisions and requirements of the Policy.

All provisions and requirements of the Policy not enforced during the Phase-in Period will be enforced on **July 1, 2018**.

I. Lease Enforcement

Enforcement of the Policy will begin on **July 1, 2018** after the end of the Phase-in Period. The Housing Authority will be responsible for enforcement of the Policy as stated in Section (F) above. Annual Inspections is a tool available to the Housing Authority as a means of monitoring resident compliance with the Policy. It is the responsibility of all residents to notify guests of this Policy. If a resident witnesses someone smoking or smells tobacco smoke that is not in accordance with this Policy, the resident should report the violation or the odor to the property manager in writing as soon as possible. Property managers receiving a report involving a violation of this Policy will take appropriate enforcement action.

(1) **1st Violation**

(a) The Housing Authority will have an informal meeting with the resident and issue a verbal warning referencing the section of the Lease that has been violated.
(b) The Housing Authority will provide the resident a copy of the Policy and cessation materials.
(c) The Housing Authority will require the resident to sign an Acknowledgement of Verbal Warning and an agreement not to violate the Policy again or face further action.
(d) The Housing Authority will document the resident file.

(2) **2nd Violation**

(a) The Housing Authority will send a written warning to the resident citing the section of the Lease that has been violated.
(b) The Housing Authority will provide the resident a copy of the Policy and cessation materials.
(c) The Housing Authority will require the resident to sign an Acknowledgement of Written Warning and an agreement not to violate the Policy again or face further action.
(d) The Housing Authority will document the resident file.

(3) **3rd Violation**

The Housing Authority will take action to terminate the Lease.

Attachment B
ACOP Changes

J. Right to Request a Reasonable Accommodation

Allowing a resident to smoke in a restricted area is not an accommodation that can be granted under HUD's Final Rule.

However, requests for a reasonable accommodation will be further evaluated under section 504 of the Rehabilitation Act of 1973, Title II of the American with Disabilities Act, and the Fair Housing Act. Individualized determinations will be made on a case-by-case basis by the Housing Authority.

K. Statement that the Housing Authority is not a Guarantor of Smoke-Free Living Environment and Disclaimer

The Housing Authority's adoption of a smoke-free living environment, and the efforts to designate its properties as smoke free, do not make the Housing Authority the guarantor of Resident's health or of the smoke-free condition of the Resident's unit and the common areas nor does it in any way change the standard of care that the Housing Authority would have to a Resident household to render buildings and premises designated as smoke-free any safer, more habitable, or improved in terms of air quality standards than any other rental premises. However, the Housing Authority shall take reasonable steps to enforce the smoke-free terms of its Leases/House Rules and this Policy in order to make its properties smoke-free.

The Housing Authority specifically disclaims any implied or express warranties that the building, common areas, or Resident's premises will have any higher or improved air quality standards than any other rental property. The Housing Authority cannot and does not warrant or promise that the rental premises or common areas will be free from secondhand smoke. The Housing Authority's ability to police, monitor or enforce the Policy is dependent in significant part on mandatory compliance by Resident and Resident's guests. Residents with respiratory ailments, allergies, or any other physical or mental condition relating to smoke are put on notice that the Housing Authority does not assume any higher duty of care to enforce the Policy than any other Housing Authority obligation under the Lease.

ATTACHMENT A

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA

PROGRESS IN MEETING MISSION AND GOALS

Goal: Expand the Supply of Assisted Housing

Progress Report:

- Received 4 RAD awards for Las Deltas property in order to convert the 214 units to project-based vouchers that can be leveraged to develop a greater number of new units;
- Awarded 188 units of project-based vouchers (PBV) and 214 units of Rental Assistance Demonstration (RAD) PBV to 14 projects throughout Contra Costa County. These vouchers (including the project-based vouchers) helped fund 702 units of new affordable housing ();
- Continue to partner with County to maximize utilization of Shelter-Plus Care program. Now serve over 325 households;
- Housed nearly 194 veteran households through the VASH program;
- Transitioned a 11-unit HUD Multi-Family housing development to Enhanced Vouchers;
- Successfully placed 3 households into the HCV Homeownership Program;
- Increased and maintained average occupancy from low 70% range at some properties to 98% or better at all properties save one (Las Deltas in North Richmond).

Future Actions

- Continue to offer and leverage project-based vouchers to spur affordable housing development, particularly in conjunction with the County's HOME and CDBG loan programs;
- Seek additional VASH funding. To date, HACCC has been awarded 127 VASH Vouchers and continues to work with VA Medical Center to house veterans;
- Seek to project-base VASH vouchers by identifying developers who may be interested in such funding if it becomes available;
- Continue to work with CSG Advisors in order to identify funding mechanisms to rehabilitate or redevelop all of its public housing properties. If the analysis indicates redevelopment or conversion to RAD or other project-based solutions are viable options, then pursue such funding as a means to spur development of new affordable housing in addition to rehabilitation/preservation of existing public housing;
- Work with the City of Antioch to identify funding to resume the funding of rental rehabilitation loans
- Continue to work with homeless housing and service providers to develop a preference for transitional housing graduates which will be operational in 2017;
- Seek any HUD funding for additional units that becomes available.
- Seek other relevant housing funds that become available.

G*oal: Improve the Quality of Assisted Housing*

Progress Report:

- Utilized over $7 million in capital funds to maintain properties including extensive interior modernization at Bayo Vista and exterior modernizations at several large sites. Entire properties were reroofed, repainted, or repaved. New windows, flooring, and cabinetry replaced old components and security features (new site lighting and door locks for example);
- New styles of interior finishes are being utilized in public housing units to upgrade the appearance of units so that they more closely emulate market-rate units;
- As part of an ongoing rehabilitation process, HACCC has now rehabilitated almost all offline units (with the exception of Las Deltas in North Richmond). Apart from Las Deltas, every public housing property now has an average occupancy rate that is at or above 98%;
- Work order turnaround times continue to improve through the implementation of new processes;
- PASS scores for public housing unit inspections continue to improve.
- Created a new medical office in the Bayo Vista development, operated in collaboration with Life Long Medical services.
- HACCC contracted with CSG Advisors in order to identify funding mechanisms to rehabilitate or redevelop all of its public housing properties. HACCC now has a plan in place to update and preserve existing public housing where it makes financial sense to do so and to provide adequate funding for these units over the long term

Future Actions

- Based on the CSG plan, major modernization programs are expected to begin at one or more of the public housing properties once sources of funding are identified and secured. Based on preliminary analysis, modernization is expected to continue well beyond the next five-year plan; A Phase II EPC may be considered as part of the modernization process.
- Will continue to implement new styles of interior finishes in order to improve the appearance of units;
- Phased site improvements at all public housing properties are in the planning stage. Work will include supplemental ADA improvements and landscape modernization.
- Will continue to partner with regional housing authorities and cities to conduct landlord workshops and informational meetings regarding the voucher program;
- HACCC will continue to improve work order turnaround time through automation and training;
- HACCC will improve inspection protocols by implementing new software that will more easily allow integrating the outcome of inspections into the work order system. Will transition to handheld inspection devices for the HCV Program;
- HACCC staff will continue to emphasize good housekeeping and curb appeal with tenants and maintenance staff;

Goal: Provide an Improved Living Environment

Progress Report:

- Provided funding for additional police/Sheriff patrols at three largest public housing communities;
- Continue to work with several County and local agencies, coordinated funding so as to increase Sheriff patrols throughout North Richmond, including the Authority's Las Deltas property;
- Continue services to coordinate direct voice communication devices to facilitate communication between management staff and sheriff and local law enforcement officers at these three public housing properties;
- Surveillance cameras continue to benefit two properties;
- Facilitated Neighborhood Watch and Block Captain programs at two public housing properties;
- Continue to operate the Young Adult Empowerment Center at Las Deltas. The Center provides a variety of activities including recreational, job training, counseling and library programs;
- Operate a separate youth recreational program (Project Pride) at Las Deltas;
- Partnered with the County to offer Head Start facilities at four public housing properties;
- Partner with the YMCA to offer programs at Bayo Vista;
- Continued operation of a variety of other social, nutrition and service programs at our properties.
- Providing medical services to public housing and low-income residents of the Rodeo area, through a new medical office operated by Lifelong Medical at the Bayo Vista Development.
- Partnered with Sheriff's Office and YMCA to coordinate funding for one new deputy at Bayo Vista Housing Development

Future Actions

- Seek to re-establish the Deconcentration Bonus in SEMAP;
- Seek to expand number of RAB meetings held annually;
- Utilize increased site presence by managers to encourage formation of more resident councils;
- Utilize increased site presence by managers to hold more frequent meetings with tenants;
- Increase and improve common area lighting in all housing communities;
- Continue funding additional police/Sheriff patrols as long as budget permits;
- Continue to work with law enforcement to improve response time;
- Increase use of surveillance cameras as needed;
- Continue funding Young Adult Empowerment Center as long as budget permits;
- Continue funding Project Pride as long as budget permits;
- Seek to expand number of Head Start facilities;
- Seek funding to have Security Services at 2 public housing sites in East County
- Seek grants or other funding that will facilitate expanded services for HACCC's clients;
- Seek partnerships with local community agencies to increase and strengthen services offered to public housing tenants and voucher clients;

- Continue to improve and enforce public housing screening policies and procedures.

Goal: Promote Self-sufficiency and Asset Development of Assisted Households

Progress Report:

- Since January of 2016, HACCC had 21 participants graduate from its FSS Program with over $336,340 in escrow;
- Employed Section 3 hires through construction contracts, employment training and jobs programs, or direct hires in a variety of contracts;
- Partnered with the Workforce Development Board to sign MOU that aligns common goals for self-sufficiency for low income families in Contra Costa County;
- Continue to partner with REACH to utilize Section 3 employees to increase landscaping and grounds keeping services to HACCC's property in North Richmond.

Future Actions

- Continue to operate HACCC's self-sufficiency programs despite surpassing HUD's participation/graduation requirements;
- Expand voucher self-sufficiency services (if not escrow accounts) to public housing tenants where feasible;
- Seek other funding that will facilitate expanded services for HACCC's clients;
- Expand the FSS Program Coordinating Committee (PCC) to seek partnerships with local community agencies to increase and strengthen services offered to public housing tenants and voucher clients;
- Provide or attract supportive services designed to improve resident employability;
- Provide or attract supportive services to increase independence for the elderly or families with disabilities;
- Continue existing policies that permit voucher homeownership;
- Continue to enforce the Community Services Requirements policy;
- Provide Section 3 employment and training opportunities for residents where feasible

Goal: Ensure Equal Opportunity in Housing

Progress Report:

- Established a Reasonable Accommodation roundtable for both Public Housing and HCV Managers
- Continue to train on the Violence Against Women Act for all HCV and public housing managers.
- Conducted Reasonable Accommodation training to all HCV and public housing staff;
  Continue to train on Limited English Proficiency requirements for all HCV and public housing managers.

- Continue to use other external and internal legal providers to conduct Fair Housing training for staff.

Future Actions

- Provide updated fair housing and ADA training for all staff.
- Provide updated training on the Violence Against Women Act for all staff.
- Provide updated training on Limited English Proficiency requirements for all staff.
- Continue to expand network of service providers who can assist with outreach for day-to-day client services, wait list openings and other events.
- Work with network of social service providers to conduct outreach to families and individuals who are disabled, homeless or who have limited English proficiency when HACCC open its HCV and public housing wait lists.
- Continue providing services in multiple languages as appropriate.
- Review and revise HACCC's existing reasonable accommodation policies and procedures as needed.

- Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit (Chapter 2);
- Providing information about a family to prospective owners (Chapters 3 and 9);
- Disapproval of owners (Chapter 13);
- Subsidy standards (Chapter 5);
- Family absence from the dwelling unit (Chapter 12) ;
- How to determine who remains in the program if a family breaks up (Chapter 3);
- Informal review procedures for applicants (Chapter 16);
- Informal hearing procedures for participants (Chapter 16);
- The process for establishing and revising voucher payment standards including policies on administering decreases in the payment standard during the HAP contract term (Chapter 16);
- The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract) (Chapter 8);
- Special policies concerning special housing types in the program (e.g., use of shared housing) (Chapter 15);
- Policies concerning payment by a family to HACCC of amounts the family owes HACCC (Chapter 16);
- Interim redeterminations of family income and composition (Chapter 11);
- Restrictions, if any, on the number of moves by a participant family (Chapter 10);
- Approval by the board of commissioners or other authorized officials to charge the administrative fee reserve (Chapter 16);
- Procedural guidelines and performance standards for conducting required housing quality standards inspections (Chapter 8); and
- PHA screening of applicants for family behavior or suitability for tenancy (Chapter 3).

Mandatory vs. Discretionary Policy

HUD makes a distinction between:

- Mandatory policies: those driven by legislation, regulations, current handbooks, notices, and legal opinions, and
- Optional, non-binding guidance, including guidebooks, notices that have expired and recommendations from individual HUD staff.

HUD expects HACCC to adopt local policies and procedures that are consistent with mandatory policies in areas where HUD gives HACCC discretion. HACCC's administrative plan is the foundation of those policies and procedures. HUD's directions require HACCC to make policy choices that provide sufficient guidance to staff and ensure consistency to program applicants and participants.

Independent Student

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HACCC Policy

HACCC will consider a student "independent" from his or her parents and the parents' income will not be considered when determining the student's eligibility if the following four criteria are all met:

The individual is of legal contract age under state law.

The individual has established a household separate from his/her parents for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education's definition of independent student.

To be considered an *independent student* according to the Department of Education, a student must meet one or more of the following criteria:

~~Be~~ The Individual is at least 24 years old by December 31 of the award year for which aid is sought

The Individual is~~Be~~ an orphan in foster care or a ward of the court, or was an orphan, in foster care, or ward of the court at any time when the individual was 13 years of age or older

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The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence ~~through the age of 18~~

The Individual is~~Be~~ a veteran of the U.S. Armed Forces or is currently serving on active duty in the Armed Forces for other than training purposes

~~Have one or more legal dependents other than a spouse (for example, dependent children or an elderly dependent parent)~~

The Individual is~~Be~~ a graduate or professional student

The Individual is~~Be~~ married

The individual has one or more legal dependents other than a spouse (for example, dependent children or an elderly dependent parent)

The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting by:

A local educational agency homeless liaison

The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act or a designee of the director

A financial aid administrator

The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances

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The individual was not claimed as a dependent by his/her parents pursuant to IRS regulations, as demonstrated on the parents' most recent tax forms.

The individual provides a certification of the amount of financial assistance that will be provided by his/her parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.

If the PHA determines that an individual meets the definition of a *vulnerable youth* such a determination is all that is necessary to determine that the person is an *independent student* for the purposes of using only the student's income for determining eligibility for assistance.

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HACCC will verify that a student meets the above criteria in accordance with the policies in Section 7-II.E.

Institution of Higher Education

HACCC will use the statutory definition under section 102 of the Higher Education Act of 1965 to determine whether a student is attending an *institution of higher education* (see Exhibit 3-2).

Parents

HACCC Policy

For purposes of student eligibility restrictions, the definition of *parents* includes biological or adoptive parents, stepparents (as long as they are currently married to the biological or adoptive parent), and guardians (e.g., grandparents, aunt/uncle, godparents, etc).

Person with Disabilities

HACCC will use the statutory definition under section 3(b)(3)(E) of the 1937 Act to determine whether a student is a *person with disabilities* (see Exhibit 3-1).

Veteran

HACCC Policy

A *veteran* is a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.

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Vulnerable Youth

PHA Policy

A *vulnerable youth* is an individual who meets the U.S. Department of Education's definition of *independent student* in paragraphs (b), (c), or (h), as adopted in Section II of FR Notice 9/21/16:

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- The individual is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or ward of the court at any time when the individual was 13 years of age or older
- The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence

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- The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting by:
  - A local educational agency homeless liason
  - The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act or a designee of the director
  - A financial aid administrator

Determining Student Eligibility

If a student is applying for assistance on his/her own, apart from his/her parents, HACCC must determine whether the student is subject to the eligibility restrictions contained in 24 CFR 5.612. If the student is subject to those restrictions, HACCC must ensure that: (1) the student is individually eligible for the program, (2) either the student is independent from his/her parents or the student's parents are income eligible for the program, and (3) the "family" with which the student is applying is collectively eligible for the program.

HACCC Policy

For any student who is subject to the 5.612 restrictions, HACCC will:

- Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the program
- Determine whether the student is independent from his/her parents in accordance with the definition of *independent student* in this section
- Follow the policies below, if applicable, in determining whether the student's parents are income eligible for the program

If HACCC determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, HACCC will send a notice of denial in accordance with the policies in Section 3-III.F, and the applicant family will have the right to request an informal review in accordance with the policies in Section 16-III.B.

HACCC **will not** deny assistance to an otherwise eligible family because the family previously failed to meet its obligations under the Family Self-Sufficiency (FSS) program.

HACCC **will** deny assistance to an applicant family if:

The family does not provide information that HACCC or HUD determines is necessary in the administration of the program.

The family does not provide complete and true information to HACCC.

Any family member has been evicted from federally-assisted housing in the last five years.

~~Any PHA has ever terminated assistance under the program for any member of the family.~~

Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

The family owes rent or other amounts to any PHA in connection with Section 8 or other public housing assistance under the 1937 Act, unless the family repays the full amount of the debt prior to being selected from the waiting list.

If the family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease, unless the family repays the full amount of the debt prior to being selected from the waiting list.

The family has breached the terms of a repayment agreement entered into with HACCC, unless the family repays the full amount of the debt covered in the repayment agreement prior to being selected from the waiting list.

A family member has engaged in or threatened violent or abusive behavior toward HACCC personnel.

Abusive or violent behavior towards HACCC personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to deny assistance, HACCC will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, HACCC may, on a case-by-case basis, decide not to deny assistance.

3-III.D. SCREENING

Screening for Eligibility

information. If the family does not contact HACCC to dispute the information within that 14-day period, HACCC will proceed with issuing the notice of denial of admission. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal review process.

Notice requirements related to denying assistance to noncitizens are contained in Section 3-II.B.

Notice policies related to denying admission to applicants who may be victims of domestic violence, dating violence, sexual assault or stalking are contained in Section 3-III.G.

3-III.G. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT AND STALKING

The Violence against Women Act of 2005 (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibit PHAs from denying an applicant admission to the HCV program "on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault or stalking, if the applicant otherwise qualifies for assistance or admission."

Definitions of key terms used in VAWA are provided in section 16-IX of this plan, where general VAWA requirements and policies pertaining to notification, documentation, and confidentiality are also located.

Notification

VAWA 2013 expanded notification requirements to include the obligation for PHAs to provide applicants who are denied assistance with a notice of rights and the form HUD-~~50066~~-5382 at the time the applicant is denied.

HACCC Policy

HACCC acknowledges that a victim of domestic violence, dating violence, sexual assault or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment) that would warrant denial under HACCC's policies. Therefore, if HACCC makes a determination to deny assistance to an applicant family, HACCC will include in its notice of denial the VAWA information described in section 16-IX.C of this plan and will request that an applicant wishing to claim protection under VAWA notify HACCC within 10 business days.

Documentation

Victim Documentation [24 CFR 5.2007]

HACCC Policy

If an applicant claims the protection against denial of assistance that VAWA provides to victims of domestic violence, dating violence, sexual assault or stalking, HACCC will

- Materials (e.g., brochures) on how to select a unit and any additional information on selecting a unit that HUD provides;
- Information on federal, state and local equal opportunity laws and a copy of the housing discrimination complaint form.
- A list of landlords known to the PHA who may be willing to lease a unit to the family or other resources (e.g., newspapers, organizations, online search tools) known to the PHA that may assist the family in locating a unit. PHAs must ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration.
- Notice that if the family includes a person with disabilities, the family may request a list of available accessible units known to HACCC.
- The family obligations under the program, including any obligations of a welfare-to-work family.
- The grounds on which HACCC may terminate assistance for a participant family because of family action or failure to act.
- PHA informal hearing procedures including when HACCC is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.
- An explanation of the advantages of moving to an area that does not have a high concentration of low-income families.

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If HACCC is located in a metropolitan area, the following additional information must be included in the briefing packet in order to receive full points under SEMAP Indicator 7, Expanding Housing Opportunities [24 CFR 985.3(g)]:

- Maps showing areas with housing opportunities outside areas of poverty or minority concentration, both within its jurisdiction and its neighboring jurisdiction
- Information about the characteristics of these areas including job opportunities, schools, transportation, and other services
- An explanation of how portability works, including a list of portability contact persons for neighboring PHAs with names, addresses, and telephone numbers

Additional Items to Be Included in the Briefing Packet

In addition to items required by the regulations, PHAs may wish to include supplemental materials to help explain the program to both participants and owners [HCV GB p. 8-7, Notice PIH 2010-19].

HACCC Policy

HACCC will provide the following additional materials in the briefing packet:

The HUD pamphlet on lead-based paint entitled *Protect Your Family from Lead in Your Home*

"Good Neighbor Guidance" that will suggest ways that Section 8 participants can assimilate into their new neighborhoods, i.e., not parking on front lawns, mowing, the family receives at least $60/month in income from another source or once again begins to receive the child support.

(3) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

6-III.C. APPLYING PAYMENT STANDARDS [24 CFR 982.505; 982.503(b)]

Overview

HACCC's schedule of payment standards is used to calculate housing assistance payments for HCV families. This section covers the application of HACCC's payment standards. The establishment and revision of HACCC's payment standard schedule are covered in Chapter 16.

Payment standard is defined as "the maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family)" [24 CFR 982.4(b)].

The payment standard for a family is the lower of (1) the payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under HACCC's subsidy standards [24 CFR 982.4(b)], or (2) the payment standard for the size of the dwelling unit rented by the family.

If HACCC has established an exception payment standard for a designated part of a zip code area or an FMR area and a family's unit is located in the exception area, HACCC must use the appropriate payment standard for the exception area.

HACCC is required to pay a monthly housing assistance payment (HAP) for a family that is the lower of (1) the payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP.

If during the term of the HAP contract for a family's unit, the owner lowers the rent, HACCC will recalculate the HAP using the lower of the initial payment standard or the gross rent for the unit [HCV GB, p. 7-8].

Changes in Payment Standards

When HACCC revises its payment standards during the term of the HAP contract for a family's unit, it will apply the new payment standards in accordance with HUD regulations.

Decreases

If HACCC changes its payment standard schedule, resulting in a lower payment standard amount, during the term of a HAP contract, HACCC shall not reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect [FR Notice 11/16/16].

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However, if HACCC does choose to reduce the payment standard for families currently under HAP contract, the initial reduction to the payment standard may not be applied any earlier than the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard amount. At that point, HACCC may either reduce the payment standard to the current amount in effect on HACCC's payment standard schedule, or may reduce the payment standard to another amount that is higher than the normally applicable amount on the schedule. HACCC may also establish different policies for designated areas within its jurisdiction (e.g., different zip code areas).

In any case, HACCC must provide the family with at least 12 months' notice that the payment standard is being reduced before the effective date of the change. HACCC's policy on decreases in the payment standard during the term of the HAP contract apply to all families under HAP contract at the time of the effective date of the decrease in the payment standard within the designated area.

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HACCC Policy

If HACCC changes its payment standard schedule resulting in a lower payment standard amount, during the term of a HAP contract, HACCC will not reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect.

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HACCC will not establish different policies for decreases in the payment standard for designated areas within its jurisdiction.

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~~If the amount on the payment standard schedule is decreased during the term of the HAP contract, the lower payment standard generally will be used beginning at the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard. HACCC will determine the payment standard for the family as follows:~~

~~**Step 1:** At the first regular reexamination following the decrease in the payment standard, HACCC will determine the payment standard for the family using the lower of the payment standard for the family unit size or the size of the dwelling unit rented by the family.~~

~~**Step 2:** HACCC will compare the payment standard from step 1 to the payment standard last used to calculate the monthly housing assistance payment for the family. The payment standard used by HACCC at the first regular reexamination following the decrease in the payment standard will be the higher of these two payment standards. HACCC will advise the family that the application of the lower payment standard will be deferred until the second regular reexamination following the effective date of the decrease in the payment standard.~~

~~**Step 3:** At the second regular reexamination following the decrease in the payment standard, the lower payment standard will be used to calculate the monthly housing assistance payment for the family unless HACCC has subsequently increased the payment standard, in which case the payment standard will be determined in accordance with procedures for increases in payment standards described below.~~

Increases

If the payment standard is increased during the term of the HAP contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family beginning on the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard.

In accordance with the verification hierarchy described in section 7-1.B, the PHA will determine whether the student is exempt from the restrictions in 24 CFR 5.612 by verifying any one of the following exemption criteria:

> The student is enrolled at an educational institution that does not meet the definition of *institution of higher education* in the Higher Education Act of 1965 (see section Exhibit 3-2).
>
> The student is at least 24 years old.
>
> The student is a veteran, as defined in section 3-II.E.
>
> The student is married.
>
> The student has at least one dependent child, as defined in section 3-II.E.
>
> The student is a person with disabilities, as defined in section 3-II.E, and was receiving assistance prior to November 30, 2005.

If the PHA cannot verify at least one of these exemption criteria, the PHA will conclude that the student is subject to the restrictions on assistance at 24 CFR 5.612. In addition to verifying the student's income eligibility, the PHA will then proceed to verify either the student's parents' income eligibility (see section 7-III.J) or the student's independence from his/her parents (see below).

Independent Student

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HACCC Policy

The PHA will verify a student's independence from his/her parents to determine that the student's parents' income is not relevant for determining the student's eligibility by doing all of the following:

> Either reviewing and verifying previous address information to determine whether the student has established a household separate from his/her parents for at least one year or reviewing and verifying documentation relevant to determining whether the student meets the U.S. Department of Education's definition of *independent student* (see section 3-II.E).
>
> Reviewing the student's prior year income tax returns to verify the student is independent or verifying the student meets the U.S. Department of Education's definition of *independent student* (see section 3-II.E).~~whether a parent has claimed the student as a dependent~~
>
> Requesting and obtaining written certification directly from the student's parents identifying the amount of support they will be providing to the student, even if the amount of support is $0,~~.~~ except in cases in which the PHA determines that the student is a *vulnerable youth* (see section 3-II.E)

7-II.F. DOCUMENTATION OF DISABILITY

The PHA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. The PHA is not permitted to inquire about the nature or extent of a

For students over the age of 23 with dependent children or students residing with parents who are seeking or receiving HCV assistance, the full amount of student financial assistance is excluded from annual income [24 CFR 5.609(c)(6)]. The full amount of student financial assistance is also excluded for students attending schools that do not qualify as institutions of higher education (as defined in Exhibit 3-2). Excluded amounts are verified only if, without verification, the PHA would not be able to determine whether or to what extent the income is to be excluded (see section 7-III.H).

HACCC Policy

For a student subject to having a portion of his/her student financial assistance included in annual income in accordance with 24 CFR 5.609(b)(9), the PHA will request written third-party verification of both the source and the amount. Family-provided documents from the educational institution attended by the student will be requested, as well as documents generated by any other person or entity providing such assistance, as reported by the student.

In addition, the PHA will request written verification of the student's tuition amount.

If the PHA is unable to obtain third-party written verification of the requested information, the PHA will pursue other forms of verification following the verification hierarchy in section 7-I.B.

7-III.K. PARENTAL INCOME OF STUDENTS SUBJECT TO ELIGIBILITY RESTRICTIONS

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the income of the student's parents must be considered when determining income eligibility, unless the student is determined independent from his or her parents or a *vulnerable youth* in accordance with PHA policy [24 CFR 5.612 ~~and~~ FR Notice 4/10/06, and FR Notice 9/21/16~~p. 18146~~].

This provision does not apply to students residing with parents who are seeking or receiving HCV assistance. It is limited to students who are seeking or receiving assistance on their own, separately from their parents.

HACCC Policy

If the PHA is required to determine the income eligibility of a student's parents, the PHA will request an income declaration and certification of income from the appropriate parent(s) (as determined in section 3-II.E). The PHA will send the request directly to the parents, who will be required to certify to their income under penalty of perjury. The parents will be required to submit the information directly to the PHA. The required information must be submitted (postmarked) within 14 calendar days of the date of the PHA's request or within any extended timeframe approved by the PHA.

The PHA reserves the right to request and review supporting documentation at any time if it questions the declaration or certification. Supporting documentation may include, but

CHAPTER 8

HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits HACCC to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and PHA-established requirements. All units must pass an HQS inspection prior to the approval of a lease and at least once every 24 months during the term of the contract, and at other times as needed, to determine that the unit meets HQS.~~All units must pass an HQS inspection prior to the approval of a lease and at least biennially during the term of the contract.~~

HUD also requires PHAs to determine that rents for units under the program are reasonable when compared to comparable unassisted units in the market area.

This chapter explains HUD and PHA requirements related to housing quality and rent reasonableness as follows:

> Part I. Physical Standards. This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.
>
> Part II. The Inspection Process. This part describes the types of inspections HACCC will make and the steps that will be taken when units do not meet HQS.
>
> Part III. Rent Reasonableness Determinations. This part discusses the policies HACCC will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction.

The family may choose to supply their own refrigerator but it must be in proper working order per HQS Standards.

Any owner-supplied appliances in the unit at initial inspection shall be maintained in proper working order by the owner throughout the tenancy. Should an owner-supplied appliance malfunction, the owner has the right to either repair the appliance or remove the defective item. If the owner refuses to repair an appliance but rather chooses to remove the appliance, this shall constitute a reduction in services and result in a reduction in the unit rent comparable to the annual utility allowance for a comparable tenant-provided appliance.

Bedrooms

Defined as a room used for sleeping(regardless of the type of room).At least one window is required. If the window in the sleeping rooms are designed to be opened, at least one window must be openable and must be in proper working order.

Also required in a bedroom:

- Two working outlets or one working outlet and one permanently installed light fixture.
- A permanent or removable closet is required in all rooms considered bedrooms.

Bedrooms in basements or attics are not permitted unless they meet local code requirements (unit meets bedroom/bathroom definition from Contra Costa County Tax Assessors Office)as well as HQS Standards. They must have adequate ventilation with emergency exit capability.

Windows

Window sashes must be in good condition, solid and intact, and properly fitted to the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather-stripped as needed to ensure a weather-tight seal.

Window screens must be in good condition (applies only if screens are present).

Doors

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold. All door jambs must be intact. Door jambs must have metal striker plates installed to maintain the integrity of the jam and function of the local mechanism. Each main swinging entry door of dwelling unit must have an operable single cylinder dead bolt lock. These doors include any exterior that will allow access to the unit (front door, door off a kitchen to rear yard, the door from the unit to a garage and any doors that allow direct access to the unit). Double key deadbolt locks are prohibited on any door in the unit. A door from the garage to the exterior of the unit does not require a dead bolt lock. Egress doors shall be readily openable without the use of a key or special knowledge or effort.

All interior doors must have no holes, have all trim intact, and be openable without the use of a key.

Sinks

All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

Unit Exterior

All rental units must have a street number and unit number or letter clearly labeled and visible from the street.

Each rental unit must have its own properly labeled official mailbox where the U.S. Postal Service officially delivers mail. **The exclusive use of the mailing address of the unit is for the family and approved family members as described in Chapter 3.I.J - Guests.**

Exterior fences: Owners may be requested to install, repair or remove a fence if a safety or security hazard is present and/or an area of the property must be separated for security reasons.

Security

If window security bars or security screens are present on emergency exit windows, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

8-I.C. LIFE-THREATENING CONDITIONS [24 CFR 982.404(a); FR Notice 1/18/17]

HUD requires HACCC to define life-threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life-threatening conditions within 24hours of PHA notification.

HACCC Policy

The following are considered life-threatening conditions:

- Any condition that jeopardizes the security of the unit
- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling
- Natural or LP gas or leaks
    - A fuel storage vessel, fluid line, valve, or connection that supplies fuel to a HVAC unit is leaking or a strong odor is detected with potential for explosion or fire or that results in a health risk if inhaled
- Any electrical problem or condition that could result in shock or fire

    A light fixture is readily accessible, is not securely mounted to the ceiling or wall, and electrical connections or wires are exposed

    A light fixture is hanging by its wires

    A light fixture has a missing or broken bulb, and the open socket is readily accessible to the tenant during the day-to-day use of the unit

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A receptacle (outlet) or switch is missing or broken and electrical connections or wires are exposed

An open circuit breaker position is not appropriately blanked off in a panel board, main panel board, or other electrical box that contains circuit breakers or fuses

A cover is missing from any electrical device box, panel box, switch gear box, control panel, etc., and there are exposed electrical connections

Any nicks, abrasions, or fraying of the insulation that exposes conducting wire

Exposed bare wires or electrical connections

Any condition that results in openings in electrical panels or electrical control device enclosures

Water leaking or ponding near any electrical device

Any condition that poses a serious risk of electrocution or fire and poses an immediate life-threatening condition

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- Absence of a working heating system when outside temperature is below 68 degrees Fahrenheit between October 1 and May 31.
- Utilities not in service, including no running hot water
- Conditions that present the imminent possibility of injury
- Obstacles that prevent safe entrance or exit from the unit

Any components that affect the function of the fire escape are missing or damaged

Stored items or other barriers restrict or prevent the use of the fire escape in the event of an emergency

The building's emergency exit is blocked or impeded, thus limiting the ability of occupants to exit in a fire or other emergency

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- Absence of a functioning toilet in the unit
- Absence of at least one- working smoke detector per floor*_If there is one working smoke detector per floor any additional smoke detectors that are not working will be designated as a non-life threatening correction as prescribed in the HQS Manual and local fire codes.
- ~~Absence of a working~~Missing or inoperable carbon monoxide detector on each floor.
- Missing, damaged, discharged, overcharged, or expired fire extinguisher (where required)
- Gas/oil-fired water heater or heating, ventilation, or cooling system with missing, damaged, improper, or misaligned chimney venting

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The chimney or venting system on a fuel--fired water heater is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting or gases

A gas dryer vent is missing, damaged, or is visually determined to be inoperable, or the dryer exhaust is not vented to the outside

A fuel--fired space heater is not properly vented or lacks available combustion air

A non-vented space heater is present

Safety devices on a fuel-fired space heater are missing or damaged

The chimney or venting system on a fuel-fired heating, ventilation, or cooling system is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting of gas.

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- Deteriorating paint as defined at 24 CFR 35.110 in a unit built before 1978 that is to be occupied by a family with a child under six years of age if it would prevent the family from moving into the unit

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If an owner fails to correct life-threatening conditions as required by HACCC, the PHA will enforce the HQS in accordance with HUD requirements. See 8-II-G.

If a family fails to correct a family-caused life-threatening condition as required by HACCC, HACCC will enforce the family obligations. See 8-II.H.

The owner will be required to repair or replace an inoperable smoke detector or Carbon Monoxide Detector pursuant to California law.

8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain appliances owned by the family
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear that results in a breach of the HQS. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

Owner Responsibilities

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

8-I.E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL [24 CFR 35.1225; FR Notice 1/13/17]

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, HACCC must complete a risk assessment of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The risk assessment must be completed in accordance with program requirements, and the result of the risk assessment must be

PART II: THE INSPECTION PROCESS

8-II.A. OVERVIEW [24 CFR 982.405]

Types of Inspections

HACCC conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections*. HACCC conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the HQS inspection on or before the effective date of the HAP Contract.
- *Biennial Inspections*. HUD requires HACCC to inspect each unit under lease at least every 24 months to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.
- *Special Inspections.* A special inspection may be requested by the owner, the family, or a third party as a result of problems identified with a unit between biennial inspections.
- *Quality Control Inspections.* HUD requires that a sample of units be inspected by a supervisor or other qualified individual to evaluate the work of the inspector(s) and to ensure that inspections are performed in compliance with the HQS.

Inspection of PHA-Owned Units [24 CFR 982.352(b)]

HACCC must obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in a PHA-owned unit. A PHA-owned unit is defined as a unit in a project that is one of the following categories:

(1) Owned by a PHA.

(2) Owned by an entity wholly controlled by the PHA.

(3) Owned by a limited liability company or limited partnership in which the PHA (or an entity wholly controlled by the PHA) holds a controlling interest in the managing member or general partner.

A ''controlling interest'' is—

(A) Holding 50 percent or more of the stock of any corporation;
(B) Having the power to appoint 50 percent or more of the members of the board of directors of a non-stock corporation (such as a non-profit corporation);
(C) Where 50 percent or more of the members of the board of directors of any corporation also serve as directors, officers or employees of the PHA;
(D) Holding 50 percent or more of all managing member interests in an LLC;
(E) Holding 50 percent or more of all general partner interests in a partnership; or
(F) Equivalent levels of control in other organizational structures.

Units in which PHAs have a different ownership interest are no longer considered to be owned by the PHA.

In order to be considered a ''PHA-Owned'' unit as described above, the PHA must have ownership interest in the building itself, not simply the land beneath the building.

~~that is owned by HACCC that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by HACCC).~~ The independent agency must communicate the results of each inspection to the family and HACCC. The independent agency must be approved by HUD, and may be the unit of general local government for HACCC jurisdiction (unless HACCC is itself the unit of general local government or an agency of such government).

Inspection Costs [Notice PIH 2016-05]

HACCC may not charge the family or owner for unit inspections or reinspections [24 CFR 982.405(e)]. In the case of inspections of PHA-owned units, HACCC may compensate the independent agency from ongoing administrative fee for inspections performed. HACCC and the independent agency may not charge the family any fee or charge for the inspection [24 CFR.982.352(b)].

The PHA may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. However, the PHA may charge a reasonable fee to owners for reinspections in two situations: when the owner notifies the PHA that a repair has been made but the deficiency has not been corrected, and when the time for repairs has elapsed and the deficiency has not been corrected. Fees may not be imposed for tenant-caused damages, for cases in which the inspector could not gain access to the unit, or for new deficiencies discovered during a reinspection.

The owner may not pass the cost of a reinspection fee to the family. Reinspection fees must be added to the PHA's administrative fee reserves and may only be used for activities related to the provision of tenant-based assistance.

HACCC Policy

HACCC will not charge a fee for failed reinspections.

Notice and Scheduling

The family must allow HACCC to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

HACCC Policy

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life-threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 7:00 p.m. Generally inspections will be conducted on business days only. In the case of a life-threatening emergency, HACCC will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

HUD permits HACCC to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

HACCC Policy

When a family occupies the unit at the time of inspection an authorized adult must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

At initial inspection of a vacant unit, HACCC will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

8-II.B. INITIAL HQS INSPECTION [24 CFR 982.401(a)]

Initial Inspections [FR Notice 1/18/17]

The PHA may, but is not required to, approve assisted tenancy and start HAP if the unit fails HQS inspection, but only if the deficiencies identified are non-life-threatening. Further, the PHA may, but is not required to, authorize occupancy if a unit passed an alternative inspection in the last 24 months.

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HACCC Policy

The unit must pass the HQS inspection on or before the effective date of the HAP contract.

HACCC will not rely on alternative inspections and will conduct an HQS inspection for each unit prior to executing a HAP contract with the owner.

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Timing of Initial Inspections

~~HUD requires the unit to pass HQS before the effective date of the lease and HAP Contract.~~ HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 days. The 15-day period is suspended for any period during which the unit is not available for inspection [982.305(b)(2)].

HACCC Policy

PART III: RENT REASONABLENESS [24 CFR 982.507]

8-III.A. OVERVIEW

Except in the case of certain LIHTC- and HOME-assisted units, no HAP contract can be approved until HACCC has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises. This part explains the method used to determine whether a unit's rent is reasonable.

PHA-Owned Units [24 CFR 982.352(b)]
In cases where an HCV family is receiving assistance in a PHA-owned unit, HACCC must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A PHA-owned unit is defined as a unit in a project that is one of the following categories:

(1) Owned by a PHA.
(2) Owned by an entity wholly controlled by the PHA.
(3) Owned by a limited liability company or limited partnership in which the PHA (or an entity wholly controlled by the PHA) holds a controlling interest in the managing member or general partner.

A ''controlling interest'' is—

(A) Holding 50 percent or more of the stock of any corporation;
(B) Having the power to appoint 50 percent or more of the members of the board of directors of a non-stock corporation (such as a non-profit corporation);
(C) Where 50 percent or more of the members of the board of directors of any corporation also serve as directors, officers or employees of the PHA;
(D) Holding 50 percent or more of all managing member interests in an LLC;
(E) Holding 50 percent or more of all general partner interests in a partnership; or
(F) Equivalent levels of control in other organizational structures.

Units in which PHAs have a different ownership interest are no longer considered to be owned by the PHA.

In order to be considered a ''PHA-Owned'' unit as described above, the PHA must have ownership interest in the building itself, not simply the land beneath the building.

~~that is owned by HACCC that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by HACCC).~~ The independent agency must communicate the results of the rent reasonableness determination to the family and HACCC. The independent agency must be approved by HUD, and may be the unit of general local government acceptable unit as soon as possible. If an acceptable unit is available for the family, HACCC must terminate the HAP contract for the family's old unit in accordance with the HAP contract terms and must notify both the family and the owner of the termination. The HAP contract terminates at the end of the calendar month that follows the calendar month in which HACCC gives notice to the owner. [24 CFR 982.403(a) and (c)]

10-I.B. RESTRICTIONS ON MOVES

A family's right to move is generally contingent upon the family's compliance with program requirements [24 CFR 982.1(b)(2)]. HUD specifies two conditions under which a PHA may deny a family permission to move and two ways in which a PHA may restrict moves by a family.

Denial of Moves

HUD regulations permit HACCC to deny a family permission to move under the following conditions:

Insufficient Funding

HACCC may deny a family permission to move either within or outside HACCC's jurisdiction if HACCC does not have sufficient funding for continued assistance [24 CFR 982.354(e)(1)]. However, Notice PIH 201~~2-42~~6-09 significantly restricts the ability of PHAs to deny permission to move due to insufficient funding and places further requirements on PHAs regarding moves denied due to lack of funding. The requirements found in this notice are mandatory.

HACCC Policy

HACCC will deny a family permission to move on grounds that HACCC does not have sufficient funding for continued assistance if (a) the move is initiated by the family, not the owner or HACCC; (b) HACCC can demonstrate that the move will, in fact, result in higher subsidy costs;~~ and~~ (c) HACCC can demonstrate, in accordance with the policies in Part VIII of Chapter 16, that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs; and (d) for portability moves, the receiving PHA is not absorbing the voucher. ~~.~~This policy applies to moves within HACCC's jurisdiction as well as to moves outside it under portability.

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If HACCC does not have sufficient funding for continued assistance, but the family must move from their unit (e.g., the unit failed HQS), the family may move to a higher cost unit if the move is within HACCC's jurisdiction. HACCC, however, will not allow the family to move under portability in this situation if the family wishes to move to a higher cost area.

For both moves within HACCC's jurisdiction and outside under portability, HACCC will not deny a move due to insufficient funding if HACCC previously approved the move and subsequently experienced a funding shortfall if the family cannot remain in their current unit. HACCC will rescind the voucher in this situation if the family will be allowed to remain in their current unit.

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HACCC will create a list of families whose moves have been denied due to insufficient funding. HACCC will keep the family's request open indefinitely, and, w~~W~~hen funds become available, the families on this list will take precedence over families on the over the area to which the family wishes to move, ~~the PHA~~HACCC will advise the family that the family ~~must~~ selects the receiving PHA and notifiesy the initial PHA of which receiving PHA was selected. HACCC will provide the family with contact information for all of the receiving PHAs that serve the area. HACCC will not provide any additional information about receiving PHAs in the area. ~~The PHA~~HACCC will further inform the family that if the family prefers not to select the receiving PHA, HACCC~~the initial PHA~~ will select the receiving PHA on behalf of the family. In this case, HACCC will not provide the family with information for all receiving PHAs in the area.

HACCC will advise the family that they will be under the RHA's policies and procedures, including screening, subsidy standards, voucher extension policies and payment standards.

Voucher Issuance and Term

An applicant family has no right to portability until after the family has been issued a voucher [24 CFR 982.353(b)]. In issuing vouchers to applicant families, HACCC will follow the regulations and procedures set forth in Chapter 5.

HACCC Policy

For participating families approved to move under portability, HACCC will issue a new voucher within 15 calendar days of HACCC's written approval to move.

The initial term of the voucher will be 120 days.

- Form HUD-52665, Family Portability Information, with Part I filled out [Notice PIH 2016-09~~2-42~~]
- A copy of the family's voucher [Notice PIH 2016-09~~2-42~~]
- A copy of the family's most recent form HUD-50058, Family Report, or, if necessary in the case of an applicant family, family and income information in a format similar to that of form HUD-50058 [24 CFR 982.355(c)(7), Notice PIH 2016-09~~2-42~~]
- Copies of the income verifications backing up the form HUD-50058, including a copy of the family's current EIV data [24 CFR 982.355(c)(7), Notice PIH 2016-09~~2-42~~]

HACCC Policy

In addition to these documents, HACCC will provide the following information, if available, to the receiving PHA:

Social security numbers (SSNs)

Documentation of SSNs for all nonexempt household members whose SSNs have not been verified through the EIV system

Documentation of legal identity

Documentation of citizenship or eligible immigration status

Documentation of participation in the earned income disallowance (EID) benefit

Documentation of participation in a family self-sufficiency (FSS) program

HACCC will notify the family in writing regarding any information provided to the receiving PHA [HCV GB, p. 13-3].

Initial Billing Deadline [Notice PIH 2016-09~~2-42, Letter to Executive Directors, 9/15/15~~]

The deadline for submission of initial billing is 90 days following the expiration date of the voucher issued to the family by the initial PHA. In cases where suspension of the voucher delays the initial billing submission, the receiving PHA must notify the initial PHA of delayed billing before the billing deadline and document the delay is due to the suspension. In this case, the initial PHA must extend the billing deadline by 30 days.

If the initial PHA does not receive a billing notice by the deadline and does not intend to honor a late billing submission, it must notify the receiving PHA in writing. The initial PHA ~~contact the receiving PHA to determine the status of the family. If the receiving PHA reports that the family is not yet under HAP contract, the initial PHA may refuse to accept a late billing submission. If the receiving PHA reports that the family is under HAP contract and the receiving PHA cannot absorb the family, the initial PHA must accept a late billing submission; however, it~~ may report to HUD the receiving PHA's failure to comply with the deadline.

If the initial PHA will honor the late billing, no action is required.

HACCC Policy

If HACCC has not received an initial billing notice from the receiving PHA within the billing deadline, ~~90 days of expiration of the IHA's voucher,~~ it will contact the receiving PHA t~~by phone, fax, or e-mail on the next business day~~o inform~~.~~ ~~If HACCC reports that the family is not yet under HAP contract, HACCC will inform the receiving PHA~~them that it will not honor a late billing submission and will return any subsequent billings that it receives on behalf of the family. HACCC will send the receiving PHA a written confirmation of its decision by mail.

HACCC will allow an exception to this policy if the family includes a person with disabilities and the late billing is a result of a reasonable accommodation granted to the family by the receiving PHA.

Monthly Billing Payments [24 CFR 982.355(e), Notice PIH 2016-09~~2-42~~]

If the receiving PHA is administering the family's voucher, the receiving PHA bills the initial PHA for housing assistance payments and administrative fees. When reimbursing for administrative fees, the initial PHA must promptly reimburse the receiving PHA for the lesser of 80 percent of the initial PHA ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee for each program unit under contract on the first day of the month for which the receiving PHA is billing the initial PHA under portability. If the administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving PHA may bill [24 CFR 982.355(e)(2)].

The initial PHA is responsible for making billing payments in a timely manner. The first billing amount is due within 30 calendar days after the initial PHA receives Part II of form HUD-52665 from the receiving PHA. Subsequent payments must be **received** by the receiving PHA no later than the fifth business day of each month. The payments must be provided in a form and manner that the receiving PHA is able and willing to accept.

The initial PHA may not terminate or delay making payments under existing portability billing arrangements as a result of over-leasing or funding shortfalls. HACCC must manage its tenant-based program in a manner that ensures that it has the financial ability to provide assistance for families that move out of its jurisdiction under portability and are not absorbed by receiving PHAs as well as for families that remain within its jurisdiction.

Annual Updates of Form HUD-50058

If the initial PHA is being billed on behalf of a portable family, it should receive an updated form HUD-50058 each year from the receiving PHA. If the initial PHA fails to receive an updated 50058 by the family's annual reexamination date, the initial PHA should contact the receiving PHA to verify the status of the family. The initial PHA must continue paying the receiving PHA based on the last form HUD-50058 received, unless instructed otherwise by HUD. The initial PHA may seek absorption of the vouchers by following steps outlined in Notice PIH 2016-09

Denial or Termination of Assistance [24 CFR 982.355(c)(9)]

At any time, either the initial PHA or the receiving PHA may make a determination to deny or terminate assistance with the family in accordance with 24 CFR 982.552 and 24 CFR 982.553. (For PHA policies on denial and termination, see Chapters 3 and 12, respectively.)

10-II.C. RECEIVING PHA ROLE

If a family has a right to lease a unit in the receiving PHA's jurisdiction under portability, the receiving PHA must provide assistance for the family [24 CFR 982.355(10)]. HUD may determine in certain instances that a PHA is not required to accept incoming portable families, such as a PHA in a declared disaster area. However, the PHA must have approval in writing from HUD before refusing any incoming portable families [24 CFR 982.355(b)].

Administration of the voucher must be in accordance with the receiving PHA's policies. This requirement also applies to policies of Moving to Work agencies. The receiving PHA procedures and preferences for selection among eligible applicants do not apply to the family, and the receiving PHA waiting list is not used [24 CFR 982.355(c)(10)]. The family's unit, or voucher, size is determined in accordance with the subsidy standards of the receiving PHA [24 CFR 982.355 (c) (12)], and the receiving PHA's policies on extensions of the voucher term apply [24 CFR 982.355(c)(14)].

Responding to Initial PHA's Request [24 CFR 982.355(c)]

The receiving PHA must respond via e-mail or other confirmed delivery method to the initial PHA's inquiry to determine whether the family's voucher will be billed or absorbed [24 CFR 982.355(c)(3)]. . If the receiving PHA informs the initial PHA that it will be absorbing the voucher, the receiving PHA cannot reverse its decision at a later date without consent of the initial PHA [24 CFR 982.355(c)(4)].

> <u>HACCC Policy</u>
>
> HACCC will use e-mail, when possible, to notify the initial PHA whether it will administer or absorb the family's voucher.

Initial Contact with Family

When a family moves into HACCC's jurisdiction under portability, the family is responsible for promptly contacting HACCC and complying with HACCC's procedures for incoming portable families. The family's failure to comply may result in denial or termination of the receiving PHA's voucher [24 CFR 982.355(c)(8)].

If the voucher issued to the family by the initial PHA has expired, the receiving PHA must contact the initial PHA to determine if it will extend the voucher [24 CFR 982.355(c)(13)]. <u>An informal hearing is not required when a voucher has expired without the family leasing a unit.</u>

If for any reason the receiving PHA refuses to process or provide assistance to a family under the portability procedures, the family must be given the opportunity for an informal review or hearing [Notice PIH 201<u>6-09</u>~~2-42~~]. (For more on this topic, see later under "Denial or Termination of Assistance.")

Briefing

HUD allows the receiving PHA to require a briefing for an incoming portable family as long as the requirement does not unduly delay the family's search [Notice PIH 201<u>6-09</u>~~2-42~~].

> <u>HACCC Policy</u>
>
> HACCC will require the family to attend a group briefing only in the event the family is a first-time participant to the HCV Program. For port-in program participants, HACCC

family does not comply with HACCC's procedures. HACCC will update the family's information when verification has been completed.

Voucher Term

The term of the receiving PHA's voucher may not expire before 30 calendar days from the expiration of the initial PHA's voucher [24 CFR 982.355(c)(13)]. If the initial PHA extends the term of the voucher, the receiving PHA's voucher may not expire before 30 days from the new expiration date of the initial PHA's voucher [Notice PIH 2016-09].

HACCC Policy

The receiving PHA's voucher will expire 30 calendars days from the expiration date of the initial PHA's voucher. If the initial PHA extends the term of the voucher, the receiving PHA's voucher will expire 30 calendar days from the new expiration date of the initial PHA's voucher.

Voucher Extensions [24 CFR 982.355(c)(14), Notice 2016-09~~2-42~~]

Once the receiving PHA issues the portable family a voucher, the receiving PHA's policies on extensions of the voucher term apply. The receiving PHA must inform the initial PHA of any extension granted to the term of the voucher. It must also bear in mind the billing deadline provided by the initial PHA. Unless willing and able to absorb the family, the receiving PHA should ensure that any voucher expiration date would leave sufficient time to process a request for tenancy approval, execute a HAP contract, and deliver the initial billing to the initial PHA.

HACCC Policy

The policies on voucher extensions set forth in Chapter 5, section 5-II.E, of this plan will apply to any requests for extensions.

Voucher Suspensions [24 CFR 982.303, 24 CFR 982.355(c)(15)]

If the family submits a request for tenancy approval during the term of the receiving PHA's voucher, the PHA must suspend the term of that voucher. The term of the voucher stops from the date that the family submits a request for PHA approval of the tenancy until the date the PHA notifies the family in writing whether the request has been approved or denied [24 CFR 982.4(b)] (see Section 5-II.E).

Notifying the Initial PHA

The receiving PHA must promptly notify the initial PHA if the family has leased an eligible unit under the program or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the receiving PHA's voucher [24 CFR 982.355(c)(16)]. The receiving PHA is required to use Part II of form HUD-52665, Family Portability Information, for this purpose [Notice PIH 2016-09~~2-42~~]. (For more on this topic and the deadline for notification, see below under "Administering a Portable Family's Voucher.")

If an incoming portable family ultimately decides not to lease in the jurisdiction of the receiving PHA but instead wishes to return to the initial PHA's jurisdiction or to search in another jurisdiction, the receiving PHA must refer the family back to the initial PHA. In such a case the voucher of record for the family is once again the voucher originally issued by the initial PHA. Any extension of search time provided by the receiving PHA's voucher is only valid for the family's search in the receiving PHA's jurisdiction [Notice PIH 2016-09~~2-4~~2].

Administering a Portable Family's Voucher

Portability Billing [24 CFR 982.355(e)]

To cover assistance for a portable family that was not absorbed, the receiving PHA bills the initial PHA for housing assistance payments and administrative fees. The amount of the housing assistance payment for a portable family in the receiving PHA's program is determined in the same manner as for other families in the receiving PHA's program.

The receiving PHA may bill the initial PHA for the lesser of 80 percent of the initial PHA's ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee for each program unit under contract on the first day of the month for which the receiving PHA is billing the initial PHA under portability. If the administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving PHA may bill (i.e., the receiving PHA may bill for the lesser of 80 percent of the initial PHA's prorated ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee).

If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

HACCC Policy

Unless HACCC negotiates a different amount of reimbursement with the initial PHA, HACCC will bill the initial PHA the maximum amount of administrative fees allowed, ensuring any administrative fee proration has been properly applied.

Initial Billing Deadline

If a portable family's search for a unit is successful and the receiving PHA intends to administer the family's voucher, the receiving PHA must submit its initial billing notice (Part II of form HUD-52665) ~~(a) no later than 10 working days following the date the receiving PHA **executes** a HAP contract on behalf of the family **and** (b)~~ in time that the notice will be **received** no later than 9~~6~~0 days following the expiration date of the family's voucher issued by the initial PHA [Notice PIH 2016-09~~2-4~~2]. This deadline may be extended for 30 additional days if the delay is due to suspension of the voucher's term (see Initial Billing Section). A copy of the family's form HUD-50058, Family Report, completed by the receiving PHA must be attached to the initial billing notice. The receiving PHA may send these documents by mail, fax, or e-mail.

HACCC Policy

HACCC will send its initial billing notice by fax or e-mail, if necessary, to meet the billing deadline but will also send the notice by regular mail.

If the receiving PHA fails to send the initial billing- by the deadline~~within 10 working days following the date the HAP contract is executed~~, it is required to absorb the family into its own program unless (a) the initial PHA is willing to accept the late submission or (b) HUD requires the initial PHA to honor the late submission (e.g., because the receiving PHA is over--leased) [Notice PIH 2016-09~~2-42~~].

Ongoing Notification Responsibilities [Notice PIH 2012-42, HUD-52665]

Annual Reexamination. The receiving PHA must send the initial PHA a copy of a portable family's updated form HUD-50058 after each annual reexamination for the duration of time the receiving PHA is billing the initial PHA on behalf of the family, regardless of whether there is a change in the billing amount.

HACCC Policy

HACCC will send a copy of the updated HUD-50058 by regular mail no later than 10 business days after the effective date of the reexamination~~at the same time HACCC and owner are notified of the reexamination results~~.

Change in Billing Amount. The receiving PHA is required to notify the initial PHA, using form HUD-52665, of any change in the billing amount for the family as a result of:

- A change in the HAP amount (because of a reexamination, a change in the applicable payment standard, a move to another unit, etc.)
- An abatement or subsequent resumption of the HAP payments
- Termination of the HAP contract
- Payment of a damage/vacancy loss claim for the family
- Termination of the family from the program

The timing of the notice of the change in the billing amount should correspond with the notification to the owner and the family in order to provide the initial PHA with advance notice of the change. Under no circumstances should the notification be later than 10 working calendar days following the effective date of the change in the billing amount. If the receiving PHA fails to send Form HUD-52665 within 10 days of effective date of billing changes, the initial PHA is not responsible for any increase prior to notification. If the change resulted in a decrease in the monthly billing amount, the initial PHA will offset future monthly payments until the difference is reconciled.

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Late Payments [Notice PIH 2016-09~~2-42~~]

If the initial PHA fails to make a monthly payment for a portable family by the fifth business day of the month, the receiving PHA must promptly notify the initial PHA in writing of the deficiency. The notice must identify the family, the amount of the billing payment, the date the billing payment was due, and the date the billing payment was received (if it arrived late). The receiving PHA must send a copy of the notification to the Office of Public Housing (OPH) in the HUD area office with jurisdiction over the receiving PHA. If the initial PHA fails to correct the problem by the second month following the notification, the receiving PHA may request by memorandum to the director of the OPH with jurisdiction over the receiving PHA that HUD transfer the unit in question. A copy of the initial notification and any subsequent

If the receiving PHA absorbs a family from the point of admission, the admission will be counted against the income targeting obligation of the receiving PHA [24 CFR 982.201(b)(2)(vii)].

If the receiving PHA absorbs a family after providing assistance for the family under a billing arrangement with the initial PHA, the receiving PHA must send an updated form HUD-52665 to the initial PHA no later than 10 business days following the effective date of the termination of the billing arrangement. ~~HUD encourages the receiving PHA to provide adequate advance notice to the initial PHA to avoid having to return an overpayment. The receiving PHA must specify the effective date of the absorption of the family~~ [Notice PIH 2016-09~~2-42~~].

HACCC Policy

If HACCC decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, HACCC will notify the initial PHA by the initial billing deadline specified on form HUD-52665. The effective date of the HAP contract will be the effective date of the absorption.

If HACCC decides to absorb a family after that, it will provide the initial PHA with 30 days' advance notice, or notify them no later than 10 business days following the effective date of the termination of the billing arrangement.

Following the absorption of an incoming portable family, the family is assisted with funds available under the consolidated ACC for the receiving PHA's voucher program [24 CFR 982.355(d)], and the receiving PHA becomes the initial PHA in any subsequent moves by the family under portability [24 CFR 982.355(e)(4)].

PART III: RECALCULATING FAMILY SHARE AND SUBSIDY AMOUNT

11-III.A. OVERVIEW

After gathering and verifying required information for an annual or interim reexamination, HACCC must recalculate the family share of the rent and the subsidy amount, and notify the family and owner of the changes [24 CFR 982.516(d)(2), HCV 12-6 and 12-10]. While the basic policies that govern these calculations are provided in Chapter 6, this part lays out policies that affect these calculations during a reexamination.

11-III.B. CHANGES IN PAYMENT STANDARDS AND UTILITY ALLOWANCES

In order to calculate the family share of the rent and HAP amount correctly, changes in payment standards, subsidy standards, or utility allowances may need to be updated and included in HACCC's calculations.

Specific policies governing how subsidy standards, payment standards, and utility allowances are applied are discussed below.

Payment Standards [24 CFR 982.505]

The family share of the rent and HAP calculations must use the correct payment standard for the family, taking into consideration the family unit size, the size of unit, and the area in which the unit is located [HCV GB, p. 12-5]. See Chapter 6 for information on how to select the appropriate payment standard.

When HACCC changes its payment standards or the family's situation changes, new payment standards are applied at the following times:

- If HACCC's payment standard amount changes during the term of the HAP contract, the date on which the new standard is applied depends on whether the standard has increased or decreased:
  - If the payment standard amount has *increased,* the increased payment standard will be applied at the *first annual* reexamination following the effective date of the increase in the payment standard.
  - If the payment standard amount has *decreased*, during the term of a HAP contract, HACCC shall not reduce the payment standard as long as the HAP contract remains in effect. At the family's *second annual* reexamination, HACCC may, but is not required to, apply the decreased payment standard or may gradually implement the reduced payment standard (See Chapter 6 for the PHA's policy on decreases in the payment standard).
  - ~~If the payment standard amount has *decreased*, the decreased payment standard will be applied at the *second annual* reexamination following the effective date of the decrease in the payment standard.~~

HACCC Policy

HACCC will terminate assistance to a family member if HACCC determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the assistance of the remaining, nonculpable family members.

In making its decision, HACCC will consider all credible evidence, including, but not limited to, a signed certification (form HUD-~~50066~~5382) or other documentation of abuse submitted to HACCC by the victim in accordance with this section and section 16-IX.D. HACCC will also consider the factors in section 12-II.D. Upon such consideration, HACCC may, on a case-by-case basis, choose not to terminate the assistance of the culpable family member.

If HACCC does terminate the assistance of the culpable family member, it will do so in accordance with applicable law, HUD regulations, and the policies in this plan.

12-II.F. TERMINATION NOTICE

HUD regulations require PHAs to provide written notice of termination of assistance to a family only when the family is entitled to an informal hearing. However, since the family's HAP contract and lease will also terminate when the family's assistance terminates [form HUD-52641], it is a good business practice to provide written notification to both owner and family anytime assistance will be terminated, whether voluntarily or involuntarily.

HACCC Policy

Whenever a family's assistance will be terminated, HACCC will send a written notice of proposed termination to the family and to the owner. The PHA will also send a form HUD-~~50066~~ 5382 to the family with the termination notice. The notice will state the date on which the termination will become effective. This date generally will be at least 30 calendar days following the date of the termination notice, but exceptions will be made whenever HUD rules, other PHA policies, or the circumstances surrounding the termination require.

When HACCC notifies an owner that a family's assistance will be terminated, HACCC will, if appropriate, advise the owner of his/her right to offer the family a separate, unassisted lease.

If a family whose assistance is being terminated is entitled to an informal hearing, the notice of termination that the PHA sends to the family must meet the additional HUD and PHA notice requirements discussed in section 16-III.C of this plan. VAWA 2013 expands notification requirements to require PHAs to provide notice of VAWA rights and the HUD ~~50066~~5382 form whena PHA terminates a household's housing benefits.

~~If a family whose assistance is being terminated is entitled to an informal hearing, the notice of termination that HACCC sends to the family must meet the additional HUD and PHA notice requirements discussed in section 16-III.C of this plan. Although HUD does not require PHAs to include information about the protections against termination of assistance provided by the Violence against Women Act of 2005 (VAWA) to victims of domestic violence, dating violence, sexual assault or stalking, PHAs have the discretion to include such information. HACCC will~~

~~request in writing that a family member wishing to claim protection under VAWA notify HACCC within 10 business days.~~

HACCC Policy

Whenever the PHA decides to terminate a family's assistance because of the family's action or failure to act, the PHA will include in its termination notice the VAWA information described in section 16-IX.C of this plan and a form HUD-~~50066~~5382. The PHA will request in writing that a family member wishing to claim protection under VAWA notify the PHA within ~~10~~ 14 business days.

~~HACCC will not include VAWA information in its termination notice.~~

Still other notice requirements apply in two situations:

If a criminal record is the basis of a family's termination, HACCC must provide a copy of the record to the subject of the record and the tenant so that they have an opportunity to dispute the accuracy and relevance of the record [24 CFR 982.553(d)(2)].

If immigration status is the basis of a family's termination, as discussed in section 12-I.D, the special notice requirements in section 16-III.D must be followed.

PART IV: SHARED HOUSING

[24 CFR 982.615 through 982.618]

15-IV.A. OVERVIEW

Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.

An assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons. The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage to the assisted family.

If approved by HACCC, a live-in aide may reside with the family to care for a person with disabilities. HACCC must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

15-IV.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION

The payment standard for a family in shared housing is the lower of the payment standard for the family unit size or the prorata share of the payment standard for the shared housing unit size.

The prorata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit.

The HAP for a family in shared housing is the lower of the payment standard minus the TTP or the gross rent minus the TTP. The utility allowance for an assisted family living in shared housing is the lower of the utility allowance for the family unit size (voucher size) or the prorata share of the utility allowance for the shared housing unit.

Example: A family holds a 2-bedroom voucher. The family decides to occupy 3 out of 4 bedrooms available in the unit. - The utility allowance for a 4-bedroom unit equals $200 - The utility allowance for a 2-bedroom unit equals $100 - The prorata share of the utility allowance is $150 (3/4 of $200) Family utility allowance is $100 (lesser of voucher size and prorata of utility)

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The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. The rent paid to the owner for the assisted family must not exceed the pro-rata portion of the reasonable rent for the shared unit. In determining reasonable rent, HACCC should consider whether sanitary and food preparation areas are private or shared.

PART VI: MANUFACTURED HOMES

[24 CFR 982.620 through 982.624; FR Notice 1/18/17]

15-VI.A. OVERVIEW

A manufactured home is a manufactured structure, transportable in one or more parts, that is built on a permanent chassis, and designed for use as a principal place of residence. HCV-assisted families may occupy manufactured homes in two different ways.

(1) A family can choose to rent a manufactured home already installed on a space and HACCC must permit it. In this instance program rules are the same as when a family rents any other residential housing, except that there are special HQS requirements as provided in 15-VI.D below.

(2) HUD also permits an otherwise eligible family that owns a manufactured home to rent a space for the manufactured home and receive HCV assistance with the rent for the space as well as certain other housing expenses. PHAs may, but are not required to, provide assistance for such families.

15-VI.B. SPECIAL POLICIES FOR MANUFACTURED HOME OWNERS WHO LEASE A SPACE

Family Income

In determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a family asset.

Lease and HAP Contract

There is a separate Tenancy Addendum (Form 52642-a) and separate HAP Contract (Form 52642) for this special housing type.

15-VI.C. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION

Payment Standards [FR Notice 1/18/17]

The PHA payment standard for manufactured homes is determined in accordance with 24 CFR 982.505 and is the payment standard used for the PHA's HCV program. It is based on the applicable FMR for the area in which the manufactured home space is located.

The payment standard for the family is the lower of the family unit size (voucher size) or the payment standard for the number of bedrooms in the manufactured home.

~~The FMR for a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit or, where approved by HUD, the 40th percentile of the rental distribution of manufactured home spaces for the FMR area. HACCC may establish a payment standard for manufactured home spaces that is between 90-110 percent of the FMR for manufactured home spaces.~~

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Utility Allowance

HACCC must establish utility allowances for manufactured home space rental. For the first 12 months of the initial lease term only, the allowance must include an amount for a utility hook-up charge if the family actually incurred a hook-up charge because of a move. This allowance will not be given to a family that leases in place. Utility allowances for manufactured home space must not include the costs of digging a well or installing a septic system.

If the amount of the monthly assistance payment for a family exceeds the monthly rent for the manufactured home space (including the owner's monthly management and maintenance charges), the PHA may pay the remainder to the family, lender, or utility company.

Space Rent

The rent for the manufactured home space (including other eligible housing expenses) is the total of:

- The rent charged for the manufactured home space;
- Owner maintenance and management charges for the space;
- The monthly payments made by the family to amortize the cost of purchasing the manufactured home, including any required insurance and property taxes; and
- The applicable allowance for tenant-paid unities.

Amortization Costs

The monthly payment made by the family to amortize the cost of purchasing the manufactured home is the debt service established at the time of application to a lender for financing the purchase of the manufactured home if monthly payments are still being made. Any increase in debt service due to refinancing after purchase of the home may not be included in the amortization cost. Debt service for set-up charges incurred by a family may be included in the monthly amortization payments made by the family. In addition, set-up charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize the charges.

~~The space rent is the sum of the rent to the owner for the manufactured home space, any charges for maintenance and management provided by the owner, and the utility allowance for tenant-paid utilities.~~

Housing Assistance Payment

The HAP for a manufactured home space under the housing choice voucher program is the lower of the payment standard minus the TTP or the ~~(gross)~~ manufactured home space rent (including other eligible housing expenses) minus the TTP.

Rent Reasonableness

Initially, and annually thereafter HACCC must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. HACCC

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PART VII: HOMEOWNERSHIP

[24 CFR 982.625 through 982.643]

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15-VII.A. OVERVIEW [24 CFR 982.625]

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option may be newly admitted or an existing participant in the HCV program. HACCC must have the capacity to operate a successful HCV homeownership program as defined by the regulations.

There are two forms of homeownership assistance described in the regulations: ~~a PHA may offer under this option:~~ monthly homeownership assistance payments~~, or a~~and single down payment assistance grants. ~~PHAs may choose to offer either or both forms of homeownership assistance, or choose not to offer either. If a PHA offers both forms of assistance, a family must choose which form of assistance to receive.~~However, PHAs may not offer down payment assistance until and unless funding is allocated by Congress. Since this has not yet happened, only monthly homeownership assistance may be offered.

~~There are two forms of homeownership assistance a HACCC may offer under this option: monthly homeownership assistance payments, or a single down payment assistance grant (upon notice of a final rule published by HUD in the Federal Register) . Housing Authorities may choose to offer either or both forms of homeownership assistance, or choose not to offer either. If a Housing Authority offers both forms of assistance, a family must choose which form of assistance to receive.~~

HACCC must offer ~~either form of~~ homeownership assistance if needed as a reasonable accommodation, so that the program is readily accessible to and usable by persons with disabilities. It is the sole responsibility of HACCC to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. HACCC must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. HACCC may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where HACCC has otherwise opted not to implement a homeownership program.

HACCC must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

15-VII.B. FAMILY ELIGIBILITY [24 CFR 982.627]

The family must meet all of the requirements listed below before the commencement of homeownership assistance. HACCC may also establish additional initial requirements as long as they are described in HACCC administrative plan.

Pre-Hearing Right to Discovery [24 CFR 982.555(e)]

Participants and HACCC are permitted pre-hearing discovery rights. The family must be given the opportunity to examine before the hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such documents at their own expense. If HACCC does not make the document available for examination on request of the family, HACCC may not rely on the document at the hearing.

HACCC hearing procedures may provide that HACCC must be given the opportunity to examine at HACCC offices before the hearing, any family documents that are directly relevant to the hearing. HACCC must be allowed to copy any such document at HACCC's expense. If the family does not make the document available for examination on request of HACCC, the family may not rely on the document at the hearing.

For the purpose of informal hearings, *documents* include records and regulations.

> HACCC Policy
>
> The family will be allowed to copy any documents related to the hearing at a cost of .15 per page. The family must request discovery of PHA documents no later than two full business days prior to the scheduled hearing date (e.g. if the hearing is on Thursday, then by close of business on Monday of the same week)
>
> ~~HACCC must be given an opportunity to examine at HACCC offices before the hearing any family documents that are directly relevant to the hearing. Whenever a participant requests an informal hearing, HACCC will automatically mail a letter to the participant requesting a copy of all documents that the participant intends to present or utilize at the hearing. The participant must make the documents available no later than 12:00 pm on the business day prior to the scheduled hearing date.~~

Participant's Right to Bring Counsel [24 CFR 982.555(e)(3)]

At its own expense, the family may be represented by a lawyer or other representative at the informal hearing.

Informal Hearing Officer [24 CFR 982.555(e)(4)]

Informal hearings will be conducted by a person or persons approved by HACCC, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

> HACCC Policy
>
> HACCC has designated the following to serve as hearing officers:
>
> - Manager or above from other departments in the government of the jurisdiction
> - Manager or above from another Housing Authority
> - Professional mediators or arbitrators
> - Any other person who is otherwise qualified to serve

Representation and Interpretive Services

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled request an interpreter. Upon request, the PHA will provide competent interpretation services, free of charge.~~to arrange for an interpreter to attend the hearing, at the expense of the family, or HACCC, as may be agreed upon by the two parties.~~

Recording of the Hearing

The family is entitled to have the hearing recorded by digital audio recording. HACCC may, but is not required to provide a transcript of the hearing.

HACCC Policy

HACCC will provide a transcript of an digital audio recording of the hearing to the family or family's counsel upon payment of the actual cost of the transcript..

Hearing Decision

HACCC must provide the family with a written final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the informal hearing. The decision must state the basis for the decision.

Informal Hearing Procedures for Residents [24 CFR 5.514(f)]

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that HACCC provide a hearing. The request for a hearing must be made either within 30 days of receipt of HACCC notice of termination, or within 30 days of receipt of the USCIS appeal decision.

For the informal hearing procedures that apply to participant families whose assistance is being terminated based on immigration status, see Section 16-III.C.

Retention of Documents [24 CFR 5.514(h)]

HACCC must retain for a minimum of 5 years the following documents that may have been submitted to HACCC by the family, or provided to HACCC as part of the USCIS appeal or HACCC informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing

Maximum Points: 10 • This indicator shows whether the PHA inspects each unit under contract at least biennially. • Points are based on the percent of biennial HQS inspections of units under contract that are more than 2 months overdue, according to data from PIC.
Indicator 13: Lease-up **Maximum Points: 20 points** • This indicator shows whether the PHA enters HAP contracts for at least 98 percent of the number of the PHA's baseline voucher units in the ACC for the calendar year ending on or before the PHA's fiscal year, or whether the PHA has expended at least 98 percent of its allocated budget authority for the same calendar year. The PHA can receive 15 points if 95 to 97 percent of vouchers are leased or budget authority is utilized.~~the number of units or funding reserved under ACC for at least one year.~~ • Points are based on utilization of vouchers and HAP expenditures as reported in the voucher management system (VMS) for the most recently completed calendar year.~~the percent of units leased during the last completed PHA fiscal year, or the percent of allocated budget authority that has been expended by the PHA, according to data from the PHA's last year-end operating statement that is recorded in HUD's accounting system.~~
Indicator 14: Family self-sufficiency (FSS) enrollment and escrow account balances **Maximum Points: 10** • Only applies to PHAs with mandatory FSS programs. • This indicator shows whether the PHA has enrolled families in the FSS program as required, and measures the percent of current FSS participants that have had increases in earned income which resulted in escrow account balances. • Points are based on the percent of mandatory FSS slots that are filled and the percent of families with escrow account balances, according to data from PIC.
Success Rate of Voucher Holders **Maximum Points: 5** • Only applies to PHAs that have received approval to establish success rate payment standard amounts, and isn't effective until the second full PHA fiscal year following the date of HUD approval of success rate payment standard amounts. • This indicator shows whether voucher holders were successful in leasing units with voucher assistance. • Points are based on the percent of families that were issued vouchers, and that became participants in the voucher program.
Deconcentration Bonus Indicator **Maximum Points: 5** • Submission of data for this indicator is mandatory for a PHA using one or more payment standard amount(s) that exceed(s) 100 percent of the published FMR set at the 50

The term *affiliated individual* means, with respect to a person:

- A spouse, parent, brother or sister, or child of that individual, or an individual to whom that individual stands in the position or place of a parent; or
- Any other individual, tenant, or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.

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- The term *stalking* means:

To engage in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.

16-IX.C. NOTIFICATION [24 CFR 5.2005(a)]

Notification to Public

HACCC adopts the following policy to help ensure that all actual and potential beneficiaries of its HCV program are aware of their rights under VAWA.

HACCC Policy

HACCC will post the following information regarding VAWA in its offices and on its w~~W~~eb-site. It will also make the information readily available to anyone who requests it.

A ~~summary of the rights and protections provided by~~notice of occupancy rights under VAWA to housing choice voucher program applicants and participants who are or have been victims of domestic violence, dating violence, sexual assault, or stalking (~~see sample notices in Exhibits 16-1 and 16-2~~Form HUD-5380, see Exhibit 16-1)

~~The definitions of *domestic violence, dating violence, sexual assault,* and *stalking* provided in VAWA (included in Exhibits 16-1 and 16-2)~~

~~An explanation of the documentation that the PHA may require from an individual who claims the protections provided by VAWA (included in Exhibits 16-1 and 16-2)~~

A copy of form HUD-~~50066~~5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking and Alternate Documentation (see Exhibit 16-2)

A copy of the PHA's emergency transfer plan (Exhibit 16-3)

A copy of HUD's Emergency Transfer Request for Certain Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, Form HUD-5383 (Exhibit 16-4)

~~A statement of the PHA's obligation to keep confidential any information that it receives from a victim unless (a) the PHA has the victim's written permission to release the information, (b) it needs to use the information in an eviction proceeding, or (c) it is compelled by law to release the information (included in Exhibits 16-1 and 16-2)~~

~~A summary of the rights and protections provided by VAWA to housing choice voucher program applicants and participants who are or have been victims of domestic violence, dating violence, sexual assault or stalking (see sample notices in Exhibits 16-1 and 16-2)~~

~~The definitions of *domestic violence*, *dating violence*, sexual assault and *stalking* provided in VAWA (included in Exhibits 16-1 and 16-2)~~

~~An explanation of the documentation that HACCC may require from an individual who claims the protections provided by VAWA (included in Exhibits 16-1 and 16-2)~~

~~A copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking~~

~~A statement of HACCC's obligation to keep confidential any information that it receives from a victim unless (a) HACCC has the victim's written permission to release the information, (b) it needs to use the information in an eviction proceeding, or (c) it is compelled by law to release the information (included in Exhibits 16-1 and 16-2)~~

The National Domestic Violence Hot Line: 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY) (included in Exhibits 16-1 and 16-2)

Contact information for local victim advocacy groups or service providers

Notification to Program Applicants and Participants [24 CFR 5.2005(a)(1)]

PHAs are required to inform program participants of their rights under VAWA, including their right to confidentiality and the limits thereof. Since VAWA provides protections for applicants as well as participants, PHAs may elect to provide the same information to applicants.

HACCC Policy

HACCC will provide all applicants with information about VAWA at the time they request an application for housing assistance. HACCC will also include information about VAWA in all notices of denial of assistance (see section 3-III.G).

HACCC will provide all participants with information about VAWA at the time of admission (see section 5-I.B) and at annual reexamination. HACCC will also include information about VAWA in notices of termination of assistance, as provided in section 12-II.F.

The VAWA information provided to applicants and participants will consist of the notices in Exhibits 16-1 and 16-2~~and a copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, and Stalking.~~

~~The VAWA information provided to applicants and participants will consist of the notice in Exhibit 16-1 and a copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault and Stalking.~~

Notification to Owners and Managers ~~[24 CFR 5.2005(a)(2)]~~

While PHAs are no longer required by regulation to notify owners and managers participating in the HCV program of their rights and obligations under VAWA, the PHA may still choose to inform them.

~~PHAs are required to notify owners and managers participating in the HCV program of their rights and obligations under VAWA.~~

HACCC Policy

HACCC will provide owners and managers with information about their rights and obligations under VAWA when they begin their participation in the HCV program and at least annually thereafter.

The VAWA information provided to owners will consist of the notice in Exhibit 16-5~~2~~ and a copy of form HUD-5382~~0066~~, Certification of Domestic Violence, Dating Violence, Sexual Assault and Stalking and Alternate Documentation.

16-IX.D. DOCUMENTATION [24 CFR 5.2007]

A PHA presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, stalking, or criminal activity related to any of these forms of abuse may—but is not required to—request that the individual making the claim document the abuse. Any request for documentation must be in writing, and the individual must be allowed at least 14 business days after receipt of the request to submit the documentation. HACCC may extend this time period at its discretion. [24 CFR 5.2007(a)]

The individual may satisfy HACCC's request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

(1) A completed and signed HUD-approved certification form (HUD-5382~~0066~~, Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking), which must include the name of the perpetrator

(2) A federal, state, tribal, territorial, or local police report or court record, or an administrative record

(3) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

HACCC may not require third-party documentation (forms 2 and 3) in addition to certification (form 1), except as specified below under "Conflicting Documentation," nor may it require certification in addition to third-party documentation [VAWA final rule].

HACCC Policy

Any request for documentation of domestic violence, dating violence, sexual assault or stalking will be in writing, will specify a deadline of 14 business days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline.

HACCC may, in its discretion, extend the deadline for 14 calendar days. Any extension granted by HACCC will be in writing.

Conflicting Documentation [24 CFR 5.2007(e)]

In cases where HACCC receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, HACCC may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (forms 2 and 3) within 30 calendar days of the date of the request for third-party documentation.. HACCC must honor any court orders issued to protect the victim or to address the distribution of property.

HACCC Policy

If presented with conflicting certification documents (two or more forms HUD-5382~~0066~~) from members of the same household, HACCC will attempt to determine which is the true victim by requiring each of them to provide third-party documentation in accordance with 24 CFR 5.2007 and by following any HUD guidance on how such determinations should be made. The family will have 30 calendar days from the date of request by the PHA to provide this documentation.

Discretion to Require No Formal Documentation [24 CFR 5.2007(d)]

HACCC has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b).

HACCC Policy

If HACCC accepts an individual's statement or other corroborating evidence of domestic violence, dating violence, sexual assault or stalking, HACCC will document acceptance of the statement or evidence in the individual's file.

Failure to Provide Documentation [24 CFR 5.2007(c)]

In order to deny relief for protection under VAWA, a PHA must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as HACCC may allow, HACCC may deny relief for protection under VAWA.

16-IX.E. CONFIDENTIALITY [24 CFR 5.2007(b)(4)]

EXHIBIT 16-1: NOTICE OF OCCUPANCY RIGHTS UNDER THE VIOLENCE AGAINST WOMEN ACT, FORM HUD-5380~~SAMPLE NOTICE TO HOUSING CHOICE VOUCHER APPLICANTS AND PARTICIPANTS REGARDING THE VIOLENCE AGAINST WOMEN ACT (VAWA)~~

[Insert Name of Housing Provider[2]]

Notice of Occupancy Rights under the Violence Against Women Act[3]

To all Tenants and Applicants

The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking. VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation.[4] The U.S. Department of Housing and Urban Development (HUD) is the Federal agency that oversees that **[insert name of program or rental assistance]** is in compliance with VAWA. This notice explains your rights under VAWA. A HUD-approved certification form is attached to this notice. You can fill out this form to show that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking, and that you wish to use your rights under VAWA."

Protections for Applicants

If you otherwise qualify for assistance under **[insert name of program or rental assistance]**, you cannot be denied admission or denied assistance because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Protections for Tenants

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[2] The notice uses HP for housing provider but the housing provider should insert its name where HP is used. HUD's program-specific regulations identify the individual or entity responsible for providing the notice of occupancy rights.

[3] Despite the name of this law, VAWA protection is available regardless of sex, gender identity, or sexual orientation.

[4] Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

If you are receiving assistance under **[insert name of program or rental assistance]**, you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Also, if you or an affiliated individual of yours is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of your household or any guest, you may not be denied rental assistance or occupancy rights under **[insert name of program or rental assistance]** solely on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault, or stalking.

Affiliated individual means your spouse, parent, brother, sister, or child, or a person to whom you stand in the place of a parent or guardian (for example, the affiliated individual is in your care, custody, or control); or any individual, tenant, or lawful occupant living in your household.

Removing the Abuser or Perpetrator from the Household

HP may divide (bifurcate) your lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking.

If HP chooses to remove the abuser or perpetrator, HP may not take away the rights of eligible tenants to the unit or otherwise punish the remaining tenants. If the evicted abuser or perpetrator was the sole tenant to have established eligibility for assistance under the program, HP must allow the tenant who is or has been a victim and other household members to remain in the unit for a period of time, in order to establish eligibility under the program or under another HUD housing program covered by VAWA, or, find alternative housing.

In removing the abuser or perpetrator from the household, HP must follow Federal, State, and local eviction procedures. In order to divide a lease, HP may, but is not required to, ask you for documentation or certification of the incidences of domestic violence, dating violence, sexual assault, or stalking.

Moving to Another Unit

Upon your request, HP may permit you to move to another unit, subject to the availability of other units, and still keep your assistance. In order to approve a request, HP may ask you to provide documentation that you are requesting to move because of an incidence of domestic violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the housing provider may ask you to submit a written request or fill out a form where you certify that you meet the criteria for an emergency transfer under VAWA. The criteria are:

1. **You are a victim of domestic violence, dating violence, sexual assault, or stalking.** If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation, as described in the documentation section below.

2. **You expressly request the emergency transfer.** Your housing provider may choose to require that you submit a form, or may accept another written or oral request.

3. **You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit.** This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

   OR

   You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer. If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you expressly request the transfer.

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HP will keep confidential requests for emergency transfers by victims of domestic violence, dating violence, sexual assault, or stalking, and the location of any move by such victims and their families. HP's emergency transfer plan provides further information on emergency transfers, and HP must make a copy of its emergency transfer plan available to you if you ask to see it.

Documenting You Are or Have Been a Victim of Domestic Violence, Dating Violence, Sexual Assault or Stalking

HP can, but is not required to, ask you to provide documentation to "certify" that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such request from HP must be in writing, and HP must give you at least 14 business days (Saturdays, Sundays, and Federal holidays do not count) from the day you receive the request to provide the documentation. HP may, but does not have to, extend the deadline for the submission of documentation upon your request.

You can provide one of the following to HP as documentation. It is your choice which of the following to submit if HP asks you to provide documentation that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- A complete HUD-approved certification form given to you by HP with this notice, that documents an incident of domestic violence, dating violence, sexual assault, or stalking. The form will ask for your name, the date, time, and location of the incident of domestic violence, dating violence, sexual assault, or stalking, and a description of the incident. The certification form provides for including the name of the abuser or perpetrator if the name of the abuser or perpetrator is known and is safe to provide.
- A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.
- A statement, which you must sign, along with the signature of an employee, agent, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, "professional") from whom you sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by you attesting under penalty of perjury that he

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or she believes that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.

- Any other statement or evidence that HP has agreed to accept.

If you fail or refuse to provide one of these documents within the 14 business days, HP does not have to provide you with the protections contained in this notice.

If HP receives conflicting evidence that an incident of domestic violence, dating violence, sexual assault, or stalking has been committed (such as certification forms from two or more members of a household each claiming to be a victim and naming one or more of the other petitioning household members as the abuser or perpetrator), HP has the right to request that you provide third-party documentation within thirty 30 calendar days in order to resolve the conflict. If you fail or refuse to provide third-party documentation where there is conflicting evidence, HP does not have to provide you with the protections contained in this notice.

Confidentiality

HP must keep confidential any information you provide related to the exercise of your rights under VAWA, including the fact that you are exercising your rights under VAWA.

HP must not allow any individual administering assistance or other services on behalf of HP (for example, employees and contractors) to have access to confidential information unless for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.

HP must not enter your information into any shared database or disclose your information to any other entity or individual. HP, however, may disclose the information provided if:

- You give written permission to HP to release the information on a time limited basis.
- HP needs to use the information in an eviction or termination proceeding, such as to evict your abuser or perpetrator or terminate your abuser or perpetrator from assistance under this program.
- A law requires HP or your landlord to release the information.

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VAWA does not limit HP's duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

Reasons a Tenant Eligible for Occupancy Rights under VAWA May Be Evicted or Assistance May Be Terminated

You can be evicted and your assistance can be terminated for serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking committed against you. However, HP cannot hold tenants who have been victims of domestic violence, dating violence, sexual assault, or stalking to a more demanding set of rules than it applies to tenants who have not been victims of domestic violence, dating violence, sexual assault, or stalking.

The protections described in this notice might not apply, and you could be evicted and your assistance terminated, if HP can demonstrate that not evicting you or terminating your assistance would present a real physical danger that:

1. Would occur within an immediate time frame, and
2. Could result in death or serious bodily harm to other tenants or those who work on the property.

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If HP can demonstrate the above, HP should only terminate your assistance or evict you if there are no other actions that could be taken to reduce or eliminate the threat.

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Other Laws

VAWA does not replace any Federal, State, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking. You may be entitled to additional housing protections for victims of domestic violence, dating violence, sexual assault, or stalking under other Federal laws, as well as under State and local laws.

Non-Compliance with The Requirements of This Notice

You may report a covered housing provider's violations of these rights and seek additional assistance, if needed, by contacting or filing a complaint with **[insert contact information for any intermediary, if applicable]** or **[insert HUD field office]**.

For Additional Information

You may view a copy of HUD's final VAWA rule at **[insert Federal Register link]**.

Additionally, HP must make a copy of HUD's VAWA regulations available to you if you ask to see them.

For questions regarding VAWA, please contact **[insert name of program or rental assistance contact information able to answer questions on VAWA]**.

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). You may also contact **[Insert contact information for relevant local organizations]**.

For tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at https://www.victimsofcrime.org/our-programs/stalking-resource-center.

For help regarding sexual assault, you may contact **[Insert contact information for relevant organizations]**

Victims of stalking seeking help may contact **[Insert contact information for relevant organizations]**.

Attachment: Certification form HUD-5382 **[form approved for this program to be included]** ~~*This sample notice was adapted from a notice prepared by the National Housing Law Project.*~~

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~~A federal law that went into effect in 2013 protects individuals who are victims of domestic violence, dating violence, sexual assault, or stalking. The name of the law is the Violence against Women Act, or "VAWA." This notice explains your rights under VAWA.~~

~~**Protections for Victims**~~

~~If you are eligible for a Section 8 voucher, the housing authority cannot deny you rental assistance solely because you are a victim of domestic violence, dating violence, sexual assault, or stalking.~~

~~If you are the victim of domestic violence, dating violence, sexual assault, or stalking, you cannot be terminated from the Section 8 program or evicted based on acts or threats of violence committed against you. Also, criminal acts directly related to the domestic violence, dating violence, sexual assault, or stalking that are caused by a member of your household or a guest~~

~~can't be the reason for evicting you or terminating your rental assistance if you were the victim of the abuse.~~

~~Reasons You Can Be Evicted~~

~~You can be evicted and your rental assistance can be terminated if the housing authority or your landlord can show there is an *actual* and *imminent* (immediate) threat to other tenants or employees at the property if you remain in your housing. Also, you can be evicted and your rental assistance can be terminated for serious or repeated lease violations that are not related to the domestic violence, dating violence, sexual assault, or stalking committed against you. The housing authority and your landlord cannot hold you to a more demanding set of rules than it applies to participants who are not victims.~~

~~Removing the Abuser from the Household~~

~~Your landlord may split the lease to evict a tenant who has committed criminal acts of violence against family members or others, while allowing the victim and other household members to stay in the assisted unit. Also, the housing authority can terminate the abuser's Section 8 rental assistance while allowing you to continue to receive assistance. If the landlord or housing authority chooses to remove the abuser, it may not take away the remaining tenants' rights to the unit or otherwise punish the remaining tenants. In removing the abuser from the household, your landlord must follow federal, state, and local eviction procedures.~~

~~Moving to Protect Your Safety~~

~~The housing authority may permit you to move and still keep your rental assistance, even if your current lease has not yet expired. The housing authority may require that you be current on your rent or other obligations in the housing choice voucher program. The housing authority may ask you to provide proof that you are moving because of incidences of abuse.~~

~~**Proving That You Are a Victim of Domestic Violence, Dating Violence, Sexual Assault, or Stalking**~~

~~The housing authority and your landlord can ask you to prove or "certify" that you are a victim of domestic violence, dating violence, sexual assault, or stalking. The housing authority or your landlord must give you at least 14 business days (i.e., Saturdays, Sundays, and holidays do not count) to provide this proof. The housing authority and your landlord are free to extend the deadline. There are three ways you can prove that you are a victim:~~

~~Complete the certification form given to you by the housing authority or your landlord. The form will ask for your name, the name of your abuser, the abuser's relationship to you, the date, time, and location of the incident of violence, and a description of the violence. You are only required to provide the name of the abuser if it is safe to provide and you know their name.~~

~~Provide a statement from a victim service provider, attorney, mental health professional, or medical professional who has helped you address incidents of domestic violence, dating violence, sexual assault, or stalking. The professional must state that he or she believes that the incidents of abuse are real. Both you and the professional must sign the statement, and both of you must state that you are signing "under penalty of perjury."~~

~~Provide a police or court record, such as a protective order, or an administrative record.~~

~~Additionally, at its discretion, the housing authority can accept a statement or other evidence provided by the applicant or participant.~~

~~If you fail to provide one of these documents within the required time, the landlord may evict you, and the housing authority may terminate your rental assistance.~~

~~**Confidentiality**~~

~~The housing authority and your landlord must keep confidential any information you provide about the violence against you, unless:~~

~~You give written permission to the housing authority or your landlord to release the information.~~

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~~Your landlord needs to use the information in an eviction proceeding, such as to evict your abuser.~~

~~A law requires the housing authority or your landlord to release the information.~~

~~If release of the information would put your safety at risk, you should inform the housing authority and your landlord.~~

~~**VAWA and Other Laws**~~

~~VAWA does not limit the housing authority's or your landlord's duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.~~

~~VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking.~~

~~For Additional Information~~

~~If you have any questions regarding VAWA, please contact ______________________ at ____________________.~~

~~For help and advice on escaping an abusive relationship, call the National Domestic Violence Hotline at 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY).~~

~~Definitions~~

~~For purposes of determining whether a participant may be covered by VAWA, the following list of definitions applies:~~

~~VAWA defines *domestic violence* to include felony or misdemeanor crimes of violence committed by any of the following:~~

~~A current or former spouse or intimate partner of the victim~~

~~A person with whom the victim shares a child in common~~

~~A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner~~

~~A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies~~

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~~Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction~~

~~VAWA defines *dating violence* as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:~~

~~The length of the relationship~~

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~~The type of relationship~~

~~The frequency of interaction between the persons involved in the relationship~~

~~VAWA defines *sexual assault* as "any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent" (42 U.S.C. 13925(a)).~~

~~VAWA defines *stalking* as engaging in a course of conduct directed at a specific person that would cuase a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.~~

~~*This sample notice was adapted from a notice prepared by the National Housing Law Project.*~~

~~A federal law that went into effect in 2006 protects individuals who are victims of domestic violence, dating violence, sexual assault and stalking. The name of the law is the Violence against Women Act, or "VAWA." This notice explains your rights under VAWA.~~

~~Protections for Victims~~

~~If you are eligible for a Section 8 voucher, the housing authority cannot deny you rental assistance solely because you are a victim of domestic violence, dating violence, sexual assault or stalking.~~

~~If you are the victim of domestic violence, dating violence, sexual assault or stalking, you cannot be terminated from the Section 8 program or evicted based on acts or threats of violence committed against you. Also, criminal acts directly related to the domestic violence, dating violence, sexual assault or stalking that are caused by a member of your household or a guest can't be the reason for evicting you or terminating your rental assistance if you were the victim of the abuse.~~

~~Reasons You Can Be Evicted~~

~~You can be evicted and your rental assistance can be terminated if the housing authority or your landlord can show there is an *actual* and *imminent* (immediate) threat to other tenants or employees at the property if you remain in your housing. Also, you can be evicted and your rental assistance can be terminated for serious or repeated lease violations that are not related to the domestic violence, dating violence, sexual assault or stalking committed against you. The housing authority and your landlord cannot hold you to a more demanding set of rules than it applies to participants who are not victims.~~

~~Removing the Abuser from the Household~~

~~Your landlord may split the lease to evict a tenant who has committed criminal acts of violence against family members or others, while allowing the victim and other household members to stay in the assisted unit. Also, the housing authority can terminate the abuser's Section 8 rental assistance while allowing you to continue to receive assistance. If the landlord or housing authority chooses to remove the abuser, it may not take away the remaining tenants' rights to the unit or otherwise punish the remaining tenants. In removing the abuser from the household, your landlord must follow federal, state, and local eviction procedures.~~

~~Moving to Protect Your Safety~~

~~The housing authority may permit you to move and still keep your rental assistance, even if your current lease has not yet expired. The housing authority may require that you be current on your rent or other obligations in the housing choice voucher program. The housing authority may ask you to provide proof that you are moving because of incidences of abuse.~~

~~Proving That You Are a Victim of Domestic Violence, Dating Violence, Sexual Assault or Stalking~~

~~The housing authority and your landlord can ask you to prove or "certify" that you are a victim of domestic violence, dating violence, sexual assault or stalking. The housing authority or your landlord must give you at least 14 business days (i.e., Saturdays, Sundays, and holidays do not count) to provide this proof. The housing authority and your landlord are free to extend the deadline. There are three ways you can prove that you are a victim:~~

~~Complete the certification form given to you by the housing authority or your landlord. The form will ask for your name, the name of your abuser, the abuser's relationship to you, the date, time, and location of the incident of violence, and a description of the violence.~~

~~Provide a statement from a victim service provider, attorney, mental health professional, or medical professional who has helped you address incidents of domestic violence, dating violence, sexual assault or stalking. The professional must state that he or she believes that the~~

~~incidents of abuse are real. Both you and the professional must sign the statement, and both of you must state that you are signing "under penalty of perjury."~~

~~Provide a police or court record, such as a protective order, or an administrative record.~~

~~Additionally, at its discretion, the housing authority can accept a statement or other evidence provided by the applicant or participant.~~

~~If you fail to provide one of these documents within the required time, the landlord may evict you, and the housing authority may terminate your rental assistance.~~

~~Confidentiality~~

~~The housing authority and your landlord must keep confidential any information you provide about the violence against you, unless:~~

~~You give written permission to the housing authority or your landlord to release the information.~~

~~Your landlord needs to use the information in an eviction proceeding, such as to evict your abuser.~~

~~A law requires the housing authority or your landlord to release the information.~~

~~If release of the information would put your safety at risk, you should inform the housing authority and your landlord.~~

~~VAWA and Other Laws~~

~~VAWA does not limit the housing authority's or your landlord's duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.~~

~~VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault or stalking.~~

~~For Additional Information~~

~~If you have any questions regarding VAWA, please contact~~ ________________________ ~~at~~ ____________________.

~~For help and advice on escaping an abusive relationship, call the National Domestic Violence Hotline at 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY).~~

~~Definitions~~

~~For purposes of determining whether a participant may be covered by VAWA, the following list of definitions applies:~~

~~VAWA defines *domestic violence* to include felony or misdemeanor crimes of violence committed by any of the following:~~

~~A current or former spouse or intimate partner of the victim~~

~~A person with whom the victim shares a child in common~~

~~A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner~~

~~A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies~~

~~Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction~~

~~VAWA defines *dating violence* as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:~~

~~The length of the relationship~~

~~The type of relationship~~

~~The frequency of interaction between the persons involved in the relationship~~

~~VAWA defines *stalking* engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.~~

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EXHIBIT 16-2: CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING AND ALTERNATE DOCUMENTATION, FORM HUD-5382~~EXHIBIT 16-2: SAMPLE NOTICE TO HOUSING CHOICE VOUCHER OWNERS AND MANAGERS REGARDING THE VIOLENCE AGAINST WOMEN ACT (VAWA)~~

CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, AND ALTERNATE DOCUMENTATION	**U.S. Department of Housing and Urban Development**	OMB Approval No. 2577-0286 Exp. 06/30/2017

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Purpose of Form: The Violence Against Women Act ("VAWA") protects applicants, tenants, and program participants in certain HUD programs from being evicted, denied housing assistance, or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. Despite the name of this law, VAWA protection is available to victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

Use of This Optional Form: If you are seeking VAWA protections from your housing provider, your housing provider may give you a written request that asks you to submit documentation about the incident or incidents of domestic violence, dating violence, sexual assault, or stalking.

In response to this request, you or someone on your behalf may complete this optional form and submit it to your housing provider, or you may submit one of the following types of third-party documentation:

(1) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of "domestic violence," "dating violence," "sexual assault," or "stalking" in HUD's regulations at 24 CFR 5.2003.

(2) A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or

(3) At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

Submission of Documentation: The time period to submit documentation is 14 business days from the date that you receive a written request from your housing provider asking that you provide documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking. Your housing provider may, but is not required to, extend the time period to submit the documentation, if you request an extension of the time period. If the requested information is not received within 14 business days of when you received the request for the documentation, or any extension of the date provided by your housing provider, your housing provider does not need to grant you any of the VAWA protections. Distribution or issuance of this form does not serve as a written request for certification.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking shall be kept confidential and such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections to you, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release: (ii) required for use in an eviction proceeding or hearing regarding termination of assistance: or (iii) otherwise required by applicable law.

TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

1. Date the written request is received by victim: ______________________

2. Name of victim: ______________________

3. Your name (if different from victim's): ______________________

4. Name(s) of other family member(s) listed on the lease: ______________________

____

5. Residence of victim: ______________________

6. Name of the accused perpetrator (if known and can be safely disclosed): ______________________

____

7. Relationship of the accused perpetrator to the victim: ______________________

8. Date(s) and times(s) of incident(s) (if known): ______________________

____

10. Location of incident(s): ______________________

In your own words, briefly describe the incident(s):
____
____
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This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature ______________________ Signed on (Date) ______________________

Public Reporting Burden: The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and

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Budget control number. ~~*This sample notice was adapted from a notice prepared by the National Housing Law Project.*~~

~~A federal law that went into effect in 2006 protects individuals who are victims of domestic violence, dating violence, sexual assault and stalking. The name of the law is the Violence against Women Act, or "VAWA." This notice explains your obligations under VAWA.~~

~~**Protections for Victims**~~

~~You cannot refuse to rent to an applicant solely because he or she is or has been a victim of domestic violence, dating violence, sexual assault or stalking.~~

~~You cannot evict a tenant who is or has been the victim of domestic violence, dating violence, sexual assault or stalking based on acts or threats of violence committed against the victim. Also, criminal acts directly related to the domestic violence, dating violence, sexual assault or stalking that are caused by a household member or guest cannot be cause for evicting the victim of the abuse.~~

~~**Permissible Evictions**~~

~~You can evict a victim of domestic violence, dating violence, sexual assault or stalking if you can demonstrate that there is an *actual and imminent* (immediate) threat to other tenants or employees at the property if the victim is not evicted. Also, you may evict a victim for serious or repeated lease violations that are not related to the domestic violence, dating violence, sexual assault or stalking. You cannot hold a victim of domestic violence, dating violence, sexual assault or stalking to a more demanding standard than you hold tenants who are not victims.~~

~~**Removing the Abuser from the Household**~~

~~You may bifurcate (split) the lease to evict a tenant who has committed criminal acts of violence against family members or others, while allowing the victim and other household members to stay in the unit. If you choose to remove the abuser, you may not take away the remaining tenants' rights to the unit or otherwise punish the remaining tenants. In removing the abuser from the household, you must follow federal, state, and local eviction procedures.~~

~~**Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking**~~

~~If a tenant asserts VAWA's protections, you can ask the tenant to certify that he or she is a victim of domestic violence, dating violence, sexual assault or stalking. You are not required to demand official documentation and may rely upon the victim's statement alone. If you choose to request certification, you must do so in writing and give the tenant at least 14 business days to provide documentation. You are free to extend this deadline. A tenant can certify that he or she is a victim by providing any one of the following three documents:~~

~~A completed, signed HUD-approved certification form. The most recent form is HUD-50066. This form is available at the housing authority or online at http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/forms/hud5.~~

~~A statement from a victim service provider, attorney, mental health professional, or medical professional who has helped the victim address incidents of domestic violence, dating violence, sexual assault or stalking. The professional must state that he or she believes that the incidents of~~

~~abuse are real. Both the victim and the professional must sign the statement under penalty of perjury.~~

~~A police or court record, such as a protective order, or administrative record.~~

~~If the tenant fails to provide one of these documents within 14 business days, you may evict the tenant if authorized by otherwise applicable law and lease provisions.~~

~~Confidentiality~~

~~You must keep confidential any information a tenant provides to certify that he or she is a victim of domestic violence, dating violence, sexual assault or stalking. You cannot enter the information into a shared database or reveal it to outside entities unless:~~

~~The tenant provides written permission releasing the information.~~

~~The information is required for use in an eviction proceeding, such as to evict the abuser.~~

~~Release of the information is otherwise required by law.~~

~~The victim should inform you if the release of the information would put his or her safety at risk.~~

~~VAWA and Other Laws~~

~~VAWA does not limit your obligation to honor court orders regarding access to or control of the property. This includes orders issued to protect the victim and orders dividing property among household members in cases where a family breaks up.~~

~~VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault or stalking.~~

~~Additional Information~~

~~If you have any questions regarding VAWA, please contact Bruce Smargiasso, Director, Assisted Housing Programs.~~

~~Definitions~~

~~For purposes of determining whether a tenant may be covered by VAWA, the following list of definitions applies:~~

~~VAWA defines *domestic violence* to include felony or misdemeanor crimes of violence committed by any of the following:~~

~~A current or former spouse or intimate partner of the victim~~

~~A person with whom the victim shares a child in common~~

~~A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner~~

~~A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies~~

~~Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction~~

~~VAWA defines *dating violence* as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:~~

~~The length of the relationship~~

~~The type of relationship~~

~~The frequency of interaction between the persons involved in the relationship~~

~~VAWA defines *stalking* as engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress~~

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EXHIBIT 16-3: HACCC EMERGENCY TRANSFER PLAN FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING (HCV VERSION)

Attachment: Certification form HUD-5382

Housing Authority of the County of Contra Costa

Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

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Housing Choice Voucher Program

Emergency Transfers

HACCC is concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA),[5] HACCC allows tenants who are victims of

[5] Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.[6] The ability of HACCC to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether HACCC has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the federal agency that oversees that the **public housing and housing choice voucher (HCV) programs** are in compliance with VAWA.

Eligibility for Emergency Transfers

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A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L, is eligible for an emergency transfer if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

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A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

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[6] Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

To request an emergency transfer, the tenant shall notify HACCC's management office and submit a written request for a transfer to **any HACCC office**. HACCC will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under HACCC's program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

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Confidentiality

HACCC will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives the PHA written permission to release the information on a time-limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person or persons that committed an act of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence against Women Act for All Tenants for more information about HACCC's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

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Emergency Transfer Timing and Availability

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HACCC cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. HACCC will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. HACCC may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

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If HACCC has no safe and available units for which a tenant who needs an emergency transfer is eligible, HACCC will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, HACCC will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

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Emergency Transfers: Housing Choice Voucher (HCV) Program

Tenant-based assistance: If you are a participant in the tenant-based HCV program and request an emergency transfer as described in this plan, HACCC will assist you to move to a safe unit

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At your request, HACCC will refer you to organizations that may be able to further assist you.

Project-based assistance: If you are assisted under the project-based voucher (PBV) program, you may request an emergency transfer under the following programs for which you are not required to apply:

- Tenant-based voucher, if available
- Project-based assistance in the same project (if a vacant unit is available and you determine that the vacant unit is safe)
- Project-based assistance in another development owned by HACCC

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Emergency transfers under VAWA will take priority over waiting list admissions for these types of assistance.

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You may also request an emergency transfer under the following programs for which you are required to apply:

- Public housing program
- PBV assistance in another development not owned by HACCC

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Emergency transfers will not take priority over waiting list admissions for these programs. At your request, HACCC will refer you to organizations that may be able to further assist you.

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Safety and Security of Tenants

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

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Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse, and Incest National Network's National Sexual Assault Hotline at 1-800-656-HOPE, or visit the online hotline at https://ohl.rainn.org/online/.

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Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at https://www.victimsofcrime.org/our-programs/stalking-resource-center.

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Attachment: Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

EXHIBIT 16-4: EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, FORM HUD-5383

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EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING	U.S. Department of Housing and Urban Development	OMB Approval No. 2577-0286 Exp. 06/30/2017

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Purpose of Form: If you are a victim of domestic violence, dating violence, sexual assault, or stalking, and you are seeking an emergency transfer, you may use this form to request an emergency transfer and certify that you meet the requirements of eligibility for an emergency transfer under the Violence Against Women Act (VAWA). Although the statutory name references women, VAWA rights and protections apply to all victims of domestic violence, dating violence, sexual assault or stalking. Using this form does not necessarily mean that you will receive an emergency transfer. See your housing provider's emergency transfer plan for more information about the availability of emergency transfers.

The requirements you must meet are:

(1) You are a victim of domestic violence, dating violence, sexual assault, or stalking. If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation. In response, you may submit Form HUD-5382, or any one of the other types of documentation listed on that Form.

(2) You expressly request the emergency transfer. Submission of this form confirms that you have expressly requested a transfer. Your housing provider may choose to require that you submit this form, or may accept another written or oral request. Please see your housing provider's emergency transfer plan for more details.

(3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit. This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer. If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you submit this form or otherwise expressly request the transfer.

Submission of Documentation: If you have third-party documentation that demonstrates why you are eligible for an emergency transfer, you should submit that documentation to your housing provider if it is safe for you to do so. Examples of third party documentation include, but are not limited to: a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom you have sought assistance; a current restraining order; a recent court order or other court records; a law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking, and concerning your request for an emergency transfer shall be kept confidential. Such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections or an emergency transfer to you. Such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

TO BE COMPLETED BY OR ON BEHALF OF THE PERSON REQUESTING A TRANSFER

1. Name of victim requesting an emergency transfer: ______________________

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2. Your name (if different from victim's) ______________________

3. Name(s) of other family member(s) listed on the lease: ______________________

____

4. Name(s) of other family member(s) who would transfer with the victim: ______________________

____

5. Address of location from which the victim seeks to transfer: ______________________

6. Address or phone number for contacting the victim: ______________________

7. Name of the accused perpetrator (if known and can be safely disclosed): ______________________

8. Relationship of the accused perpetrator to the victim: ______________________

9. Date(s), Time(s) and location(s) of incident(s): ______________________

____

10. Is the person requesting the transfer a victim of a sexual assault that occurred in the past 90 days on the premises of the property from which the victim is seeking a transfer? If yes, skip question 11. If no, fill out question 11. ______________________

11. Describe why the victim believes they are threatened with imminent harm from further violence if they remain in their current unit.

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12. If voluntarily provided, list any third-party documentation you are providing along with this notice: ______________________

This is to certify that the information provided on this form is true and correct to the best of my knowledge, and that the individual named above in Item 1 meets the requirement laid out on this form for an emergency transfer. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature ______________________________ Signed on (Date) ________________________

EXHIBIT 16-5: SAMPLE NOTICE TO HOUSING CHOICE VOUCHER OWNERS AND MANAGERS REGARDING THE VIOLENCE AGAINST WOMEN ACT (VAWA)

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This sample notice was adapted from a notice prepared by the National Housing Law Project.

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A federal law that went into effect in 2013 protects individuals who are victims of domestic violence, dating violence, sexual assault, and stalking. The name of the law is the Violence against Women Act, or "VAWA." This notice explains your obligations under VAWA.

Protections for Victims

You cannot refuse to rent to an applicant solely because he or she is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

You cannot evict a tenant who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking based on acts or threats of violence committed against the victim. Also, criminal acts directly related to the domestic violence, dating violence, sexual assault, or stalking that are caused by a household member or guest cannot be cause for evicting the victim of the abuse.

Permissible Evictions

You can evict a victim of domestic violence, dating violence, sexual assault, or stalking if you can demonstrate that there is an *actual and imminent* (immediate) threat to other tenants or employees at the property if the victim is not evicted. Also, you may evict a victim for serious or repeated lease violations that are not related to the domestic violence, dating violence, sexual assault, or stalking. You cannot hold a victim of domestic violence, dating violence, sexual assault, or stalking to a more demanding standard than you hold tenants who are not victims.

Removing the Abuser from the Household

You may bifurcate (split) the lease to evict a tenant who has committed criminal acts of violence against family members or others, while allowing the victim and other household members to stay in the unit. If you choose to remove the abuser, you may not take away the remaining tenants' rights to the unit or otherwise punish the remaining tenants. In removing the abuser from the household, you must follow federal, state, and local eviction procedures.

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Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

If a tenant asserts VAWA's protections, you can ask the tenant to certify that he or she is a victim of domestic violence, dating violence, sexual assault, or stalking. You are not required to demand official documentation and may rely upon the victim's statement alone. If you choose to request certification, you must do so in writing and give the tenant at least 14 business days to provide documentation. You are free to extend this deadline. A tenant can certify that he or she is a victim by providing any one of the following three documents:

A completed, signed HUD-approved certification form. The most recent form is HUD-5382. This form is available at the housing authority or online at https://portal.hud.gov/hudportal/documents/huddoc?id=5382.docx.

A statement from a victim service provider, attorney, mental health professional, or medical professional who has helped the victim address incidents of domestic violence, dating violence, sexual assault, or stalking. The professional must state that he or she believes that the incidents of abuse are real. Both the victim and the professional must sign the statement under penalty of perjury.

A police or court record, such as a protective order, or administrative record.

If the tenant fails to provide one of these documents within 14 business days, you may evict the tenant if authorized by otherwise applicable law and lease provisions.

Confidentiality

You must keep confidential any information a tenant provides to certify that he or she is a victim of domestic violence, dating violence, sexual assault, or stalking. You cannot enter the information into a shared database or reveal it to outside entities unless:

The tenant provides written permission releasing the information.

The information is required for use in an eviction proceeding, such as to evict the abuser.

Release of the information is otherwise required by law.

The victim should inform you if the release of the information would put his or her safety at risk.

VAWA and Other Laws

VAWA does not limit your obligation to honor court orders regarding access to or control of the property. This includes orders issued to protect the victim and orders dividing property among household members in cases where a family breaks up.

VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking.

Additional Information

If you have any questions regarding VAWA, please contact __________________.

Definitions

For purposes of determining whether a tenant may be covered by VAWA, the following list of definitions applies:

VAWA defines *domestic violence* to include felony or misdemeanor crimes of violence committed by any of the following:

A current or former spouse or intimate partner of the victim

A person with whom the victim shares a child in common

A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner

A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies

Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

VAWA defines *dating violence* as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:

The length of the relationship

The type of relationship

The frequency of interaction between the persons involved in the relationship

VAWA defines *sexual assault* as "any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks capacity to consent" (42 U.S.C. 13925(a)).

VAWA defines *stalking* as engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.

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selecting proposals, the type of housing that is eligible to receive PBV assistance, the cap on assistance at projects receiving PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements.

Part III: Dwelling Units. This part describes requirements related to housing quality standards, the type and frequency of inspections, and housing accessibility for persons with disabilities.

Part IV: Rehabilitated and Newly Constructed Units. This part describes requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance.

Part V: Housing Assistance Payments Contract. This part discusses HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, it describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at HACCC's discretion.

Part VI: Selection of PBV Program Participants. This part describes the requirements and policies governing how HACCC and the owner will select a family to receive PBV assistance.

Part VII: Occupancy. This part discusses occupancy requirements related to the lease, and describes under what conditions families are allowed or required to move. In addition, exceptions to the occupancy cap (which limits PBV assistance to 25 percent of the units in any project) are also discussed.

Part VIII: Determining Rent to Owner. This part describes how the initial rent to owner is determined, and how rent will be re-determined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed.

Part IX: Payments to Owner. This part describes the types of payments owners may receive under this program.

Part I: General Requirements

17-I.A. OVERVIEW

[24 CFR 983.5]

The project-based voucher (PBV) program allows HACCC that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20 percent of its ~~voucher program budget authority~~authorized units, and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. HACCC may only operate a PBV program if doing so is consistent with HACCC's Annual Plan, and the goal of de-concentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

HACCC Policy

HACCC will operate a project-based voucher program using up to 20 percent of its authorized units ~~budget authority~~ for project-based voucher assistance.

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An additional 10 percent of the authorized units can be made available for PBV assistance for units targeted to

1. Families meeting the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act and contained in the in the Continuum of Care Interim Rule at 14CFR578.3; or
2. Families that comprise of or include a veteran; or
3. Units provide supportive services to persons with disabilities or elderly persons.

   Support Services may include the following:

   - Meal service adequate to meet nutritional need;
   - Housekeeping aid;
   - Personal assistance;
   - Transportation services;
   - Health-related services;
   - Educational and employment services; or
   - Other services designed to help the recipient live in the community as independently as possible.

4. The units are located in a census tract with a poverty rate of 20 percent or less as determined in the most recent American Community Survey (ACS) 5-year estimates.

Prior to issuing assistance for an additional 10 percent of the authorized units for PBV assistance, HACCC shall submit to the HUD Field Office the following:

1. The total number of units authorized under the ACC including HUD-VASH and Family Unification Program (FUP) vouchers and how many units are excluded from the total PBV commitment to date, if applicable;
2. Total number of units currently committed for PBV under HAP, AHAP or selected and specify the number of units excluded from the baseline PBV units;
3. The number of units to which HACCC is proposing to attached PBV assistance through the RFP or selection;

The notice must be submitted to HUD no later than 14 days prior to the issuance of an RFP or selection is made to exceed the 20 percent cap on PBV assistance.

17-I.A.1 Units Not Subject To PBV Program Unit Limitation

Units that were previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD do not count toward the percentage limitation when PBV assistance is attached to them.

1. The unit must meet the following conditions in order to qualify for this exception:
   (a) The unit must be covered under a PBV HAP contract that first became effective on or after the effective date of this notice; and
   (b) In the 5 years prior to the date the PHA either (i) issued the RFP under which the project was selected or (ii) selected the project based on a prior competition or without competition, the unit met at least one of the two following conditions:
   (i) The unit received one of the following forms of HUD assistance:

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(a) Public Housing Capital or Operating Funds (section 9 of the 1937 Act).
(b) Project-Based Rental Assistance (section 8 of the 1937 Act). Project-based rental assistance under section 8 includes the section 8 moderate rehabilitation program, including the single-room occupancy (SRO) program.
(c) Housing For the Elderly (section 202 of the Housing Act of 1959).
(d) Housing for Persons With Disabilities (section 811 of the Cranston- Gonzalez National Affordable Housing Act).
(e) The Rent Supplement (Rent Supp) program (section 101 of the Housing and Urban Development Act of 1965).
(f) Rental Assistance Program (RAP) (section 236(f)(2) of the National Housing Act).

(ii) The unit was subject to a rent restriction as a result of one of the following HUD loan or insurance programs:
(a) Section 236.
(b) Section 221(d)(3) or (d)(4) BMIR.
(c) Housing For the Elderly (section 202 of the Housing Act of 1959).
(d) Housing for Persons With Disabilities (section 811 of the Cranston- Gonzalez National Affordable Housing Act).

2. For New Construction units, to qualify for the exception as replacement housing, the project must meet all of the following criteria
   a. The units must have been assisted with one of the forms of assistance listed above no more than 5 years from the date of the RFP or selection date of the project under non-competitive selection;
   b. The new construction project is located on the site of the original project;
   c. One of the primary purposes of the new construction project is or was to to replace the affordable rental units that previously existed at the site as evidenced by one of the following:
      i. Former residents are provided with a preference for the right of first occupancy of the replacement units;
      ii. Prior to demolition, the project was specifically identified as replacement housing for the original project.

3. The unit size configuration for the new construction units may differ from the original unit size configurations and the number of PBV assisted units may differ from the original project. However, under no circumstance may the program exception limitation be applied to PBV new construction units that exceed the total number of covered units from the original project.

4. Standard criteria for selection of projects and the units to which project-based assistance can be attached, including consistency with the PHA Plan, the goals of deconcentrating poverty and expanding housing and economic opportunities, site selection, and all civil rights requirements, are still in effect.

Prior to issuance of an RFP or selection under a non-competitive selection process, HACCC must notify HUD 14 days in advance of the number of units it will attach PBV assistance to and

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17-I.A.2 Other Units Not Subject to the PBV Program Unit Exception

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In addition to the units listed above, other units are not subject to the program limitation calculation and would be excluded in the total number of authorize units and the total number of PBV units currently committed to PBV that the PHA submits to the field office. The units are as follows:

a. PBV Units under the RAD Demonstration Program
b. HUD -VASH Set Aside - The exception only applies to HUD-VASH that were awarded to HACCC through the HUD-VASH PBV Set-Aside funding process. All other VASH vouchers including and that HACCC chooses to project-base are still subject to the PBV program limitations.

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17-I.A.3 Income-Mixing Project Cap Exemptions

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Projects listed in 17-I.A.1 above are further exempted from the cap on the number of units receiving PBV assistance in any project. For these projects, 100% of the units can be assisted with PBV assistance. Provisions of 17-I.A.1.(2) (3) (4) shall be applicable to these projects.

This provision does not apply to units that were receiving PBV assistance prior to the effective date of April 18, 2017 of the HOTMA implementation guidance .

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PBV HAP Contracts are considered legally binding obligations by HACCC and shall be the last units affected by any HACCC efforts to respond to insufficient funding.PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP contract, HACCC is not required to reduce the number of these units if the amount of budget authority is subsequently reduced. However, HACCC is responsible for determining the ~~amount of budget authority~~number of units that are~~is~~ available for project-based vouchers and ensuring that the ~~amount of assistance~~number of units that are~~is~~ ~~attached to units is~~assisted with PBV assistance are within the ~~amounts~~ available units under the ACC [24 CFR 983.6]. HACCC shall also ensure that the amount of funding for the assistance attached to the units is available under the ACC.

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17-I.B. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE

[24 CFR 983.2]

Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of HACCC's policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

HACCC Policy

Part II: PBV Owner Proposals

17-II.A. OVERVIEW

HACCC must describe the procedures for owner submission of PBV proposals and for HACCC selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, HACCC must determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing [24 CFR 983.53 and 983.54], complies with the cap on the number of PBV units per project [24 CFR 983.56], and meets the site selection standards [24 CFR 983.57].

17-II.B. OWNER PROPOSAL SELECTION PROCEDURES

[24 CFR 983.51]

HACCC must select PBV proposals in accordance with the selection procedures in HACCC's administrative plan. HACCC must select PBV proposals by either of the following two methods.

- HACCC's request for PBV Proposals. HACCC may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to HACCC's request. HACCC may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.

- HACCC may select proposals that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

Solicitation And Selection Of PBV Proposals [24 CFR 983.51(c)]

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Prior to issuing a request for proposals (RFP) for a competitive selection process or prior to selection of a project in a non-competitive selection process, HACCC shall submit to the HUD Field Office the following:

4. The total number of units authorized under the ACC including HUD-VASH and Family Unification Program (FUP) vouchers and how many units are excluded from the total PBV commitment to date, if applicable;
5. Total number of units currently committed for PBV under HAP, AHAP or selected and specify the number of units excluded from the baseline PBV units;
6. The number of units to which HACCC is proposing to attached PBV assistance through the RFP or selection;

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The notice must be submitted to HUD no later than 14 days prior to the issuance of an RFP or selection is made to pbvsubmissions@hud.gov and copied to the field office PIH director.

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17-II.F. CAP ON NUMBER OF PBV UNITS IN EACH PROJECT

25 Percent Per Project Cap [24 CFR 983.56(a)]

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In general, HACCC may not select a proposal to provide PBV assistance for units in a project or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than the greater of 25 units or 25 percent of the number of dwelling units (assisted or unassisted) in the project.

Exceptions To 25 Percent Per Project Cap [24 CFR 983.56(b)]

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Exceptions are allowed and PBV units are not counted against the 25 percent per project cap if:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project
- The project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates

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The Housing Opportunity Through Modernization Act of 2016 (HOTMA) eliminated the project cap exemption for projects that serve disabled families and modified the exception for supportive services. Projects where these caps were implemented prior to HOTMA may continue to use the former exemptions and may renew their HAP contracts under the old requirements, unless the PHA and owner agree to change the conditions of the HAP contract. However, this change may not be made if it would jeopardize an assisted family's eligibility for continued assistance in the project.

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~~• The units are in a single-family building (one to four units);~~
~~• The units are excepted units in a multifamily project because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as qualifying families).~~

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PHAs must include in the PHA administrative plan the type of services offered to families for a project to qualify for the exception and the extent to which such services will be provided. The project must make supportive services available to all families receiving PBV assistance in the project, but the family does not actually have to accept and receive supportive services for the exception to apply to the unit. It is not necessary that the services be provided at or by the project, but must be reasonably available to families receiving PBV assistance at the project and designed to help families in the project achieve self-sufficiency or live in the community as independently as possible. A PHA may not require participation in the supportive service as a condition of living in the excepted unit, although such services may be offered.

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~~HACCC must include in HACCC's administrative plan the type of services offered to families for a project to qualify for the exception and the extent to which such services will be provided. It is not necessary that the services be provided at or by the project, if they are approved services. To qualify, a family must have at least one member receiving at least one qualifying supportive service. HACCC may not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit, although such services may be offered.~~

If a family at the time of initial tenancy is receiving, and while the resident of an excepted unit has received, FSS supportive services or any other supportive services as defined in HACCC's administrative plan, and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

~~HACCC must monitor the excepted family's continued receipt of supportive services and take appropriate action regarding those families that fail without good cause to complete their supportive services requirement. HACCC's administrative plan must state the form and frequency of such monitoring.~~

HACCC Policy

HACCC will provide PBV assistance for excepted units. Excepted units are defined as follows:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project
- The project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates
  - ~~The units are in a single-family project (one to four units);~~
  - ~~The units are excepted units in a multifamily project because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as qualifying families).~~

The project must make supportive services available to all families receiving PBV assistance in the project, but the family does not actually have to accept and receive supportive services for the exception to apply to the unit. It is not necessary that the services be provided at or by the project, but must be reasonably available to families receiving PBV assistance at the project and designed to help families in the project achieve self-sufficiency or live in the community as independently as possible. HACCC may not require participation in the supportive service as a condition of living in the excepted unit, although such services may be offered.

~~Qualifying families for excepted units are families receiving particular supportive services or families participating in the Family Self-Sufficiency (FSS) program. At least one member of the family must receive the services or successfully complete the service program to be eligible for continued occupancy. Families that do not continue to receive the services or complete the required service program will be terminated in accordance with HACCC policies in Section 12-II.F. To qualify as an excepted unit, the family must be participating in some of the following types of services depending on the needs of the family~~Some of the authorized services for exception units include the following:

- Supervised Medication taking;
- Substance abuse counseling/treatment for current abusers;
- Training in housekeeping and Homemaking skills;
- Money Management;
- Parenting Skills;

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- Work Skills and/or Job Training;
- Computer Skills;
- FSS Contract of Participation goals;
- Other Independent Living Services as presented to HACCC and approved by the Executive Director

~~Monitoring Families Receiving Supportive Services~~

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~~On a quarterly basis. HACCC will monitor all families that are receiving services to determine if such families will be allowed to continue receiving PBV assistance. Owners of excepted unit projects shall submit to HACCC written evidence that the families are receiving supportive services. The family shall get written verification from each service provider that the required services stated in the statement of family participation or FSS contract of family participation are being provided each month and give these verifications to the owner or designee each month. The owner shall create a report to be presented to HACCC detailing the services received by each family and whether any families are not in compliance on a quarterly basis.~~

Promoting Partially-Assisted Projects [24 CFR983.56(C)]

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HACCC may establish local requirements designed to promote PBV assistance in partially assisted projects. A partially assisted project is a project in which there are fewer units covered by a HAP contract than residential units [24 CFR 983.3].

HACCC may establish a per-project cap on the number of units that will receive PBV assistance or other project-based assistance in a multifamily project containing excepted units or in a single-family building. HACCC may also determine not to provide PBV assistance for excepted units, or HACCC may establish a per-project cap of less than 25 percent.

Housing Opportunities Through Modernization Act of 2016 (HOTMA) Changes

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The Housing Opportunities Through Modernization Act of 2016 (HOTMA) made changes to the income-mixing project cap and modified the exception categories to the cap on the number of assisted units in a project. The new caps apply only to projects with HAP effective dates after the HOTMA final implementation rule effective date of April 18, 2017.

Under HOTMA, the new limitation on the number of PBVs in a project is now the greater of 25 units or 25 percent of the units in a project. Owners under HAP contracts predating April 18, 2017 are still subject to the terms of those HAP Contracts and must continue to designate the same number of units and assist the same number of excepted families as provided in such HAP contracts for the duration of the HAP contract and subsequent renewals unless the owner and HACCC mutually agree to change the requirements.

Projects not Subject to a Project Cap [FR Notice 1/18/17]

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PBV units that were previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD are exempt from the project cap. In other words, 100 percent of the units in these projects may receive PBV assistance. To qualify for the exception, the unit must:

- Be covered by a PBV HAP contract that first became effective on or after 4/18/17; and

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- In the five years prior to the date the PHA either issued the RFP under which the project was selected or the PHA selected the project without competition, the unit met at least one of the two following conditions:
  - The unit received Public Housing Capital or Operating Funds, Project-Based Rental Assistance, Housing for the Elderly (Section 303), Housing for Persons with disabilities (Section 811), the Rental Supplement program,
  - The unit was subject to a rent restriction as a result of one of the following HUD loans or insurance programs: Section 236, Section 221(d)(3) or (d)(4) BMIR, Housing for the Elderly (Section 202), or Housing for Persons with Disabilities (Section 811)

Units that were previously receiving PBV assistance are not covered by the exception. Both existing and rehabilitation units are eligible for this exception. Newly constructed units qualify if they meet the definition of *replacement unit* described in FR Notice 1/18/17.

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HACCC Policy

HACCC will not impose any cap beyond HUD regulations on the number of PBV units assisted per project.

17-II.G. SITE SELECTION STANDARDS

Compliance With PBV Goals, Civil Rights Requirements, And HQS Site Standards [24 CFR 983.57(B)]

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HACCC may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for units on the site, unless HACCC has determined that PBV assistance for housing at the selected site is consistent with the goal of de-concentrating poverty and expanding housing and economic opportunities. The standard for de-concentrating poverty and expanding housing and economic opportunities must be consistent with the HACCC's Agency Plan under 24 CFR 903 and HACCC's administrative plan.

In addition, prior to selecting a proposal, HACCC must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

HACCC Policy

It is HACCC's goal to select sites for PBV housing that provide for de-concentrating poverty and expanding housing and economic opportunities. In complying with this goal, HACCC will limit approval to sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, HACCC will grant exceptions to the 20 percent standard where HACCC determines that the PBV assistance will complement other local redevelopment activities designed to de-concentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
- A census tract where there has been an overall decline in the poverty rate within the past five years; or
- A census tract where there are meaningful opportunities for educational and economic advancement.

~~Under no circumstances will HACCC approve PBV assistance in a census tract with a concentration factor greater than 75 percent of the community-wide poverty rate or forty percent, whichever is lower.~~

Existing And Rehabilitated Housing Site And Neighborhood Standards [24 CFR 983.57(D)]

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HACCC may not enter into an Agreement to enter into a HAP (AHAP) contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

New Construction Site And Neighborhood Standards [24 CFR 983.57(e)]

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In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless HACCC determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;

PART III: DWELLING UNITS

17-III.A. OVERVIEW

This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

17-III.B. HOUSING QUALITY STANDARDS

[24 CFR 983.101]

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

Lead-Based Paint [24 CFR 983.101(C)]

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The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

17-III.C. HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. HACCC must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

17-III.D. INSPECTING UNITS

Pre-Selection Inspection [24 CFR 983.103(A)]

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HACCC must examine the proposed site before the proposal selection date. If the units to be assisted already exist, HACCC must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date as defined above. However, HACCC may not execute the HAP contract until the units fully comply with HQS~~.~~, unless the PHA has adopted a policy to enter into a HAP contract for units that fail the initial HQS inspection as a result of only non-life-threatening conditions.

Pre-HAP Contract Inspections [24 CFR 983.103(B)]

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HACCC must inspect each contract unit before execution of the HAP contract. HACCC may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

HACCC Policy

HACCC will not enter into a PBV HAP contract until all units that will be under contract fully comply with HQS.

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Turnover Inspections [24 CFR 983.103(C)]

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Before providing assistance to a new family in a contract unit, HACCC must inspect the unit. HACCC may not provide assistance on behalf of the family until the unit fully complies with HQS.

Biennial Inspections [24 CFR 983.103(D)]

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At least biennially during the term of the HAP contract, HACCC must inspect a random sample, consisting of at least 20 percent of the contract units in each project to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this biennial inspection requirement.

If more than 20 percent of the biennial sample of inspected contract units in a project fails the initial inspection, HACCC must re-inspect 100 percent of the contract units in the project.

Other Inspections [24 CFR 983.103(E)]

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HACCC must inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. HACCC must take into account complaints and any other information coming to its attention in scheduling inspections.

HACCC must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting HACCC supervisory quality control HQS inspections, HACCC should include a representative sample of both tenant-based and project-based units.

Inspecting HACCC-Owned Units [24 CFR 983.103(F)]

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In the case of HACCC-owned units, the inspections must be performed by an independent agency designated by HACCC and approved by HUD. The independent entity must furnish a copy of each inspection report to HACCC and to the HUD field office where the project is located. HACCC must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by HACCC-owner.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 10 business days of HACCC determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

Term Of HAP Contract [24 CFR 983.205; FR Notice 1/18/17]

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HACCC may enter into a HAP contract with an owner for an initial term of no less than one year and no more than ~~fifteen~~ twenty (20~~15~~) years.

HACCC Policy

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.

At the time of the initial HAP contract term or any time before expiration of the HAP contract, the PHA may extend the term of the contract for an additional term of up to 20~~15~~ years if the PHA determines an extension is appropriate to continue providing affordable housing for low-income families. A HAP contract extension may not exceed 20~~15~~ years. A PHA may provide for multiple extensions; however, in no circumstances may such extensions exceed 20~~15~~ years, cumulatively. Extensions after the initial extension are allowed at the end of any extension term, provided that not more than 24 months prior to the expiration of the previous extension contract the PHA agrees to extend the term, and that such extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities. Extensions after the initial extension term shall not begin prior to the expiration date of the previous extension term. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension. In the case of PHA-owned units, any extension of the term of the HAP contract must be agreed upon by the PHA and the independent entity approved by HUD [24 CFR983.59(b)(2)].

For PBV HAP Contracts that pre-date HOTMA with 10 or 15 year terms, HACCC shall extend the term of the HAP contract to 20 years prior to expiration of the initial HAP contract term and permit HAP extensions of 20 year terms if requested. Under no circumstances will the total years of assistance exceed 40 years.

HACCC Policy

When determining whether or not to extend an expiring PBV contract, HACCC will consider several factors including, but not limited to:

- The cost of extending the contract and the amount of available budget authority;
- The condition of the contract units;
- The owner's record of compliance with obligations under the HAP contract and lease(s);
- Whether the location of the units continues to support the goals of de-concentrating poverty and expanding housing opportunities; and
- Whether the funding could be used more appropriately for tenant-based assistance.

Termination By HACCC [24 CFR 983.205(C); FR Notice 1/18/17]

The HAP contract must provide that the term of HACCC's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by HACCC in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, HACCC may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

In the event of insufficient funding, HACCC shall first take all cost-saving measures prior to failing to make payments under existing PBV HAP contracts.

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Termination By Owner [24 CFR 983.205(D)]

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If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to HACCC. In this case, families living in the contract units must be offered tenant-based assistance.

Statutory Notice Requirements: Contract Termination or Expiration [24 CFR 983.206; FR Notice 1/18/17]

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Not less than one year before the HAP contract terminates, or if the owner refuses to renew the HAP contract, the owner must notify HACCC and assisted tenants of the termination. The notice must be provided in the form prescribed by HUD. If the owner does not give timely notice, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of their rent, and with no eviction as a result of the owner's inability to collect an increased tenant portion of rent. An owner may renew the terminating contract for a period of time sufficient to give tenants one-year advance notice under such terms as HUD may require.

Upon termination or expiration of the contract, a family living at the property is entitled to receive a tenant-based voucher. Tenant-based assistance would not begin until the owner's required notice period ends. The PHA must provide the family with a voucher and the family must also be given the option by the PHA and owner to remain in their unit with HCV tenant-based assistance as long as the unit complies with inspection and rent reasonableness requirements. The family must pay their total tenant payment (TTP) and any additional amount if the gross rent exceeds the applicable payment standard. The family has the right to remain in the project as long as the units are used for rental housing and are otherwise eligible for HCV assistance. The owner may not terminate the tenancy of a family that exercises its right to remain except for serious or repeated lease violations or other good cause. Families that receive a tenant-based voucher at the expiration or termination of the PBV HAP contract are not new admissions to the PHA HCV tenant-based program, and are not subject to income eligibility requirements or any other admission requirements. If the family chooses to remain in their unit with tenant-based

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Remedies For HQS Violations [24 CFR 983.207(B)]

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HACCC may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If HACCC determines that a contract does not comply with HQS, HACCC may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

HACCC Policy

HACCC will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section 8-II.G., Enforcing Owner Compliance.

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17-V.C. AMENDMENTS TO THE HAP CONTRACT

Substitution Of Contract Units [24 CFR 983.207(A)]

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At HACCC's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract unit. Before any such substitution can take place, HACCC must inspect the proposed unit and determine the reasonable rent for the unit.

Addition Of Contract Units [24 CFR 983.207(B)]

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At HACCC's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per project and on the overall size of HACCC's PBV program, a HAP contract may be amended ~~during the three-year period~~ following the execution date of the HAP contract to add additional PBV units in the same project. This type of amendment is subject to all PBV program

requirements except that a new PBV proposal is not required.

HACCC Policy

HACCC will consider adding contract units to the HAP contract when HACCC determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

- The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and
-
- Voucher holders are having difficulty finding units that meet program requirements.

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- Additional PBV assisted units are needed to ensure the financial viability of the project.

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- 14 days prior to an RFP announcement or attaching assistance to additional units without competition, HACCC shall submit to the local field office i) the total number of units authorized in the ACC excluding those PBV units entirely excluded from the cap; ii) the total number of units currently committed to PBV excluding those not counting towards the cap; iii) the number of new units proposed to be assisted. HACCC shall email the information to pbvsubmission@hud.gov with a copy to the local HUD PIH Office.

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17-V.D. HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES

[24 CFR 983.207(b) and 983.302(e)]

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

17-V.E. OWNER RESPONSIBILITIES UNDER THE HAP

[24 CFR 983.210]

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by HACCC, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;

HACCC will establish and manage separate waiting lists for individual projects that are receiving PBV assistance. It is anticipated that HACCC shall have site-based wait lists for the following properties/projects:

~~Property Name~~	~~Address~~	~~1 BR~~	~~2 BR~~	~~3 BR~~	~~Total Units~~	~~Property Restrictions~~
~~Lakeside Apartments~~	~~1897 Oakmead Dr., Concord, CA 94520~~	~~X~~	~~X~~	~~X~~	~~30~~	~~Family Housing, Some disabled with HIV/AIDS~~
~~Brentwood Senior~~	~~750 Larkspur Lane, Brentwood, CA 94513~~	~~X~~	~~0~~	~~0~~	~~79~~	~~Over 62 Yrs Old~~
~~Samara Terrace~~	~~102 Civic Dr, Hercules, CA 94547~~	~~X~~	~~0~~	~~0~~	~~50~~	~~Over 62 Yrs Old~~
~~Acalanes Court~~	~~1988 Trinity Ave. Walnut Creek, CA 94596~~	~~0~~	~~X~~	~~X~~	~~4~~	~~Family Housing~~
~~Hookston Senior~~	~~80 West Hookston Rd., Pleasant Hill, CA 94523~~	~~X~~	~~X~~	~~0~~	~~24~~	~~Over 62 Yrs Old~~
~~Giant Road~~	~~2832 Giant Rd., San Pablo, CA 94806~~	~~X~~	~~X~~	~~X~~	~~21~~	~~Family Housing~~
~~Lafayette Senior~~	~~3428 Mt. Diablo Blvd, Lafayette, CA~~	~~X~~	~~0~~	~~0~~	~~45~~	~~Over 62 Yrs. Old, Verifiably Disabled~~
~~Orinda Senior~~	~~2 Irwin Place, Orinda, CA~~	~~X~~	~~0~~	~~0~~	~~64~~	~~Over 62 Yrs. Old, Disabled~~
~~Berrellesa Palms~~	~~310 Berrellesa St., Martinez, CA~~	~~X~~	~~0~~	~~0~~	~~48~~	~~Frail elderly (over 62 Yrs Old); Disabled with HIV/AIDS~~
~~Riley Court~~	~~2050-2060 Riley Ct., Concord, CA~~	~~X~~	~~X~~	~~0~~	~~15~~	~~Family Housing, Some for disabled with HIV/AIDS~~
~~Tabora Gardens~~	~~3701 Tabora Dr., Antioch, CA~~	~~X~~	~~0~~	~~0~~	~~5~~	~~Over 62 Yrs. Old, Disabled~~
~~Third Ave. Apts~~	~~1550 3rd Ave/2618 Baldwin Ln. Walnut Creek, CA~~	~~X~~	~~X~~	~~X~~	~~29~~	~~Family Housing, Some for developmentally disabled~~

		Bedrooms							
Property Name	**Address**	**0**	**1**	**2**	**3**	**4**	**5**	**Number of PBVs leased**	
Lakeside Apartments	1897 Oakmead Dr., Concord, CA 94520	0	6	12	12	0	0	30	Family Housing, Some disabled with HIV/AIDS
Brentwood Senior Apartments	750 Larkspur Lane, Brentwood, CA 94513	0	79	0	0	0	0	79	Over 62 Yrs Old
Samara Terrace Senior Apartments	102 Civic Dr, Hercules, CA 94547	0	51	0	0	0		50	Over 62 Yrs Old
Acalanes Court Apartments	1988 Trinity Ave, Walnut Creek, CA 94596	0	0	2	2	0	0	4	Family Housing
Hookston Senior Community	80 West Hookston Rd., Pleasant Hill, CA	0	22	2	0	0	0	24	Over 62 Yrs Old

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	94523								
Giant Road Apartments	2832 Giant Rd., San Pablo, CA 94806	0	3	7	11	0	0	21	Family Housing
Belle Terre Apartments	3428 Mt. Diablo Blvd, Lafayette, CA	0	45	0	0	0	0	45	Over 62 Yrs Old, Verifiably Disabled
Monteverde Apartments	2 Irwin Place, Orinda, CA	0	66	0	0	0	0	66	Over 62 Yrs Old, Disabled
Berrellesa Palms Apartments	310 Berrellesa St., Martinez, CA	0	48	0	0	0	0	48	Frail elderly (over 62 Yrs Old), Disabled with HIV/AIDS
Arboleda Apartments	3rd & Baldwin St., Walnut Creek, CA	0	15	6	8	0	0	29	Family Housing, Some for disabled with HIV/AIDS
Riley Court Apartments	2050-2060 Riley Ct., Concord, CA	0	11	4	0	0	0	15	Family Housing
Riviera Family Apartments	1515 Riviera St., Walnut Creek, CA 94596	4	2	2	1	0	0	9	Family Housing
Riviera Family Apartments	1716-38 Riviera St., Walnut Creek, CA 94596	1	5	0	3	0	0	9	Family Housing
Hana Gardens Senior Apartments	10860 San Pablo Ave., El Cerrito, CA 94530	0	62	0	0	0	0	62	Over 62 Yrs Old
Tabora Gardens	3701 Tabora Dr., Antioch, CA 94509		29					29	Veterns, Family, Disabled

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17-VI.D. SELECTION FROM THE WAITING LIST

[24 CFR 983.251(C)]

Applicants who will occupy units with PBV assistance must be selected from HACCC's site-based waiting list for that property. HACCC shall establish selection criteria or preferences for occupancy of particular PBV units. HACCC may place families referred by the PBV owner to their PBV site-based waiting list.

Income Targeting [24 CFR 983.251(C)(6)]

At least 75 percent of the families admitted to HACCC's tenant-based and project-based voucher programs from the waiting list must be extremely-low income families in accordance with HUD practice and regulations. The income targeting requirement applies to the total of admissions to both programs.

Units With Accessibility Features [24 CFR 983.251(C)(7)]

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, HACCC must first refer families who require such features to the owner.

Preferences [24 CFR 983.251(D)]

HACCC may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. HACCC must provide an absolute selection preference for eligible in-place families as described in Section 17-VI.B. above.

Although HACCC is prohibited from granting preferences to persons with a specific disability, HACCC may give preference to disabled families who need services offered at a particular project or site if the preference is limited to families (including individuals):

- With disabilities that significantly interfere with their ability to obtain and maintain themselves in housing;
- Who, without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and
- For whom such services cannot be provided in a non-segregated setting.

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

If HACCC has projects with ~~more than 25 percent of the units receiving project-based assistance because those projects include~~ "excepted units" (units specifically made available for elderly ~~or disabled families~~ or families receiving supportive services), HACCC must give preference to such families when referring families to these units [24 CFR 983.261(b); FR Notice 1/18/17].

HACCC Policy

HACCC will provide a selection preference when required by the regulation (i.e., eligible in-place families and mobility impaired persons for accessible units). In the event an owner is obligated to house specific populations in conformance with Federal, State or Local funding regulatory agreements, HACCC shall review the preferences for the designated site-based wait list and determine on a case by case basis whether a modification is required and will be adopted in this administrative plan. The following preferences have been adopted by HACCC for all PBV Site-Based Wait Lists:

Eligible households from a converting project under RAD interested in off-site replacement units for designated RAD Converted units. (500 Points)

Homeless - RAD SRO ONLY: Eligible households for RAD PBV projects converted from the McKinney Moderate Rehabilitation Single Room Occupancy (SRO) Program to RAD under Component 2 of the RAD Program who verify homelessness pursuant to the HUD McKinney-Vento Homeless Assistance Act as amended by the HEARTH Act and contained in the Continuum of Care at 24 CFR § 578.3. (50 Points)

c. 30 days in any other case, except that if a State or local law provides for shorter period of time, such shorter period shall apply.

~~Non-Compliance With Supportive Services Requirement [24 CFR 983.257(C)]~~

~~If a family is living in a project-based unit that is excepted from the 25 percent per project cap on project-basing because of participation in a supportive services program (e.g., Family Self-Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.~~

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Tenant Absence From The Unit [24 CFR 983.256(G) And 982.312(A)]

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The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by HACCC policy. According to program requirements, the family's assistance must be terminated if they are absent from the unit for more than 180 consecutive days. HACCC termination of assistance actions due to family absence from the unit are subject to 24 CFR 981.312, except that the unit is not terminated from the HAP contract if the family is absent for longer than the maximum period permitted.

Continuation of Housing Assistance Payments [24 CFR 982.258]

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Housing assistance payments shall continue until the tenant rent equals the rent to owner. The cessation of housing assistance payments at such point will not affect the family's other rights under its lease, nor will such cessation preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances if such changes occur within 180 days following the date of the last housing assistance payment by HACCC. After the 180-day period, the unit shall be removed from the HAP contract pursuant to 24 CFR 983.211.

HACCC Policy

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify HACCC of the change and request an interim reexamination before the expiration of the 180-day period.

Security Deposits [24 CFR 983.259]

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The owner may collect a security deposit from the tenant. HACCC may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

HACCC Policy

HACCC will allow the owner to collect a security deposit amount the owner determines is appropriate, as long as it does not exceed that allowed under state law.

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

HACCC may make exceptions to this 60-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

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Family Right To Move [24 CFR 983.261]

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The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to HACCC. If the family wishes to move with continued tenant-based assistance, the family must contact HACCC to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, HACCC is required to offer the family the opportunity for continued tenant-based assistance in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, HACCC must give the family priority to receive the next available opportunity for continued tenant-based assistance.

The above policies do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, and the move is needed to protect the health or safety of the family or family member, or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move. A PHA may not terminate assistance if the family, with or without prior notification to the PHA, moves out of a unit in violation of the lease, if such move occurs to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed he or she was threatened with imminent harm from further violence if he or she remained in the dwelling unit, or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move.

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If a family breaks up as a result of an occurrence of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, the PHA may offer the victim the opportunity for continued tenant-based rental assistance.

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If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

Rental Assistance Demonstration (RAD) Choice Mobility Alternative

HUD recognizes that it remains important for HACCC to still be able to use tenant-based vouchers to address the specific housing needs and priorities of the community. Therefore, HUD has established an alternative requirement for PHAs where, as a result of RAD, the total number of PBV units (including RAD PBV units) under HAP contract administered by HACCC exceeds 20 percent of the HACCC's authorized units under its HCV ACC with HUD.

HACCC Policy

HACCC shall not provide more than three-quarters of its turnover vouchers in any single year to the residents of RAD Covered Projects. While HACCC is not required to establish a voucher inventory turnover cap, if such a cap is implemented, HACCC shall create and maintain a waiting list in the order in which the requests from eligible households are received.

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17-VII.D. EXCEPTIONS TO THE OCCUPANCY CAP [24 CFR 983.262]

The PHA may not pay housing assistance under a PBV HAP contract for more than the greater of 25 units or 25 percent of the number of dwelling units in a project unless:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project
- The project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates

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~~HACCC may not pay housing assistance under a PBV HAP contract for more than 25 percent of the number of dwelling units in a project unless the units are [24 CFR 983.56]:~~

- ~~In a single-family building;~~
- ~~Specifically made available for elderly and/or disabled families; or~~
- ~~Specifically made available for families receiving supportive services as defined by HACCC. At least one member must be receiving at least one qualifying supportive service.~~

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined by HACCC and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit. However, if the FSS family fails to successfully complete the FSS contract of participation or supportive services objective and consequently is no longer eligible for the supportive services, the family must vacate the unit within a reasonable period of time established by the PHA, and the PHA shall cease paying HAP on behalf of the family.

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Further, when aA family (or remaining members of a family) residing in an excepted unit ~~that~~ no longer meets the criteria for a "qualifying family" in ~~connection with the 25 percent per project cap exception (e.g., a family that does not successfully complete its FSS contract of participation or supportive services requirements. or a~~because the family ~~that~~ is no longer an elderly ~~or disabled~~ due to a change in family composition, ~~where~~ HACCC~~the PHA does not exercise~~has the discretion to allow the family to remain in the excepted unit~~)~~. If HACCC does not exercise this discretion, the family must vacate the unit within a reasonable period of time established by

HACCC, and HACCC must cease paying housing assistance payments on behalf of the non-qualifying family.

Individuals in units with supportive services who choose to no longer participate in a service or who no longer qualify for services they qualified for at the time of initial occupancy cannot subsequently be denied continued housing opportunity because of this changed circumstance. A PHA or owner cannot determine that a participant's needs exceed the level of care offered by qualifying services or require that individuals be transitioned to different projects based on service needs.

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If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the project in accordance with program requirements; or the owner terminates the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by HACCC.

HACCC may allow a family that initially qualified for occupancy of an excepted unit based on elderly ~~or disabled~~ family status to continue to reside in a unit, where through circumstances beyond the control of the family (e.g., death of the elderly ~~or disabled~~ family member or long-term or permanent hospitalization or nursing care), the elderly ~~or disabled~~ family member no longer resides in the unit. In this case, the unit may continue to be counted as an excepted unit for as long as the family resides in that unit. Once the family vacates the unit, in order to continue as an excepted unit under the HAP contract, the unit must be made available to and occupied by a qualified family.

HACCC Policy

HACCC will provide PBV assistance for excepted units.

When HACCC determines that a family no longer meets the criteria for a "qualifying family" in connection with the "exception unit"~~25 percent per project cap exception~~, HACCC will provide written notice to the family and owner within 10 business days of making the determination. The family will be given 60 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 60-day time frame, HACCC will terminate the housing assistance payment at the expiration of the 60-day period.

HACCC may make exceptions to this 60-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

~~HACCC may refer other eligible families to the excepted units. However, if there are no eligible families on the wait list and the owner does not refer eligible families to HACCC, HACCC will amend the HAP contract to reduce the total number of units under contract in accordance with section 17-VI.F.~~

~~At the discretion of the Executive Director, reducing the number of units under contract may be delayed or postponed due to unforeseen circumstances or if it is possible for the HAP contract to be amended to substitute a different unit in the project in accordance with program requirements~~

HACCC Policy

Upon written request by the owner, HACCC will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or re-determination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. HACCC will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from an owner, HACCC may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or re-determination of rent, if HACCC determines it is necessary due to HACCC budgetary constraints.

Use of Small Area FMRs (SAFMRs) [24 CFR 888.113(h)]

While small area FMRs (SAFMRs) do not apply to PBV projects, PHAs that operate a tenant-based program under SAFMRs (either by HUD-designation or because the PHA requested HUD approval to use SAFMRs) may apply SAFMRs to all future PBV HAP contracts. If the PHA adopts this policy, it must apply to all future PBV projects and the PHA's entire jurisdiction. The PHA and owner may not subsequently choose to revert back to use of the FMRs once the SAFMRs have been adopted, even if the PHA subsequently changes its policy.

Further, the PHA may apply SAFMRs to current PBV projects where the notice of owner selection was made on or before the effective dates of both the SAFMR designation and the PHA administrative plan policy, provided the owner is willing to mutually agree to doing so and the application is prospective. The PHA and owner may not subsequently choose to revert back to use of the FMRs once the SAFMRs have been adopted, even if the PHA subsequently changes its policy. If rents increase as a result of the use of SAFMRs, the rent increase may not be effective until the first anniversary of the HAP contract.

HACCC Policy

HACCC will not apply SAFMRs to the PHA's PBV program.

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Re-Determination Of Rent [24 CFR 983.302]

HACCC must re-determine the rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR.

Rent Increase

If an owner wishes to request an increase in the rent to owner from HACCC, it must be requested at the annual anniversary of the HAP contract (see Section 17-V.D.). The request must be in writing and in the form and manner required by HACCC. HACCC may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

- **Permanent Supportive Housing Graduation (500 points).** A preference for formerly homeless families who have graduated from a Contra Costa County Continuum of Care (COC) funded permanent supportive housing program, or another homeless housing program participating in the COC Coordinated Entry system, that partners with HACCC such as Shelter Plus Care. A referral from the COC Coordinated Entry system is required to be eligible for this preference.

  HACCC will provide up to 50 vouchers to eligible families who are homeless and that meet the local preference criteria defined in the Memorandum of Understanding (MOU) by and between HACCC and its partner agency(s). HACCC may, at its discretion, modify the total number of vouchers available for this local preference based on funding availability, the performance of social service agency partners, or other factors.

  To serve these clients, HACCC's partner(s) will refer clients to HACCC that meet certain eligibility criteria for the local preference as defined in the Memoranda of Understanding (MOU) with each organization. HACCC may, at its discretion, enter into MOUs with additional agencies serving this population in the future. The partner agency must agree to provide housing search assistance and case management support so that the clients can find housing and remain stably housed. HACCC will not accept any referrals from partner agencies once the allotment for this local preference has been met. Thereafter, applicants referred by partner agencies will be added to the waiting list when there are vouchers available for this local preference. Applicants who are already on HACCC's waiting list may be pulled to the top of the Waiting List if they meet the eligibility requirements for the preference and are referred by the partner agencies.

  Eligibility for this local preference is limited to families who are formerly homeless as defined in the MOU between HACCC and the partner agency. Additionally, applicants who qualify for the local preference must meet all of HACCC's specific screening and eligibility requirements.

- **Move from Las Deltas Properties to dramatically improve living conditions (30 points).** A preference for residents of the Las Deltas public housing properties who will move to other housing as soon as possible to dramatically improve their living conditions.

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- **Insufficient Funding Termination (20 points).** A preference to any family that has been terminated from HACCC's HCV program due to insufficient program funding.

- **Residency Preference (10 points).** A residency preference for applicants who live, work or have been hired to work in Contra Costa County. The use of a residency preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family.

  Eligibility for this preference must be demonstrated by having a permanent physical residence within the jurisdictional area. Physical residence shall be defined as a domicile with a mailing address, other than a P.O. Box, for which the applicant can produce one or more of the following: a lease or purchase agreement, utility bills in their name showing the stated address, two pieces of first class mail addressed to the applicant or a member of their household at the stated address. In certain circumstances of homelessness, third party verification from service agencies, clergy, merchants or other reliable source can be substituted subject to the approval of HACCC.

- **Veterans Assistance (1 point).** A preference for current or former members of the U.S. Armed Forces, veterans, or surviving spouses of veterans (as required by state law) (1 point).

Income Targeting Requirement [24 CFR 982.201(b)(2)]

HUD requires that extremely low-income (ELI) families make up at least 75% of the families admitted to the HCV program during HACCC's fiscal year. ELI families are those with annual incomes at the greater of the Federal Poverty level or below 30% of the area median income. To ensure this requirement is met, a PHA may skip non-ELI families on the waiting list in order to select an ELI family.

Low income families admitted to the program that are "continuously assisted" under the 1937 Housing Act [24 CFR 982.4(b)], as well as low-income or moderate-income families admitted to the program that are displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for income targeting purposes [24 CFR 982.201(b)(2)(v)].

HACCC Policy

HACCC will monitor progress in meeting the income targeting requirement throughout the fiscal year. Extremely low-income families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.

Order of Selection

HACCC system of preferences may select families based on local preferences according to the date and time of application or by a random selection process (lottery) [24 CFR 982.207(c)]. If a PHA does not have enough funding to assist the family at the top of the waiting list, it is not permitted to skip down the waiting list to a family that it can afford to subsidize when there are not sufficient funds to subsidize the family at the top of the waiting list [24 CFR 982.204(d) and (e)].

HACCC Policy

All applications received within the application window will be accepted and entered into the applicant pool. The applicant pool will be screened for duplicate applications. Only one application will be allowed per Head of Household. Applicants will be randomly selected for the wait list by computer-generated lottery. All applicants in the pool will be randomly assigned a lottery number. Families will be selected for the waiting list based on preference points and lottery number from the lowest to the highest number until HACCC has reached number 2,400. If HACCC issues all 2,400 vouchers over the next

8-I.E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL [24 CFR 35.1225; FR Notice 1/13/17]

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, HACCC must complete a risk assessment of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider.

The Lead Safe Housing Rule & Lead Disclosure Rule (LSHR) threshold for action pursuant to 24 CFR 35 is as follows:

- Confirmed EBLL >= 5 µg/dL (micrograms/deciliter)
    - Notification by public health department or other medical health care provider
    - If reported by family or other source, PHA should attempt to confirm
- Aligned with Centers for Disease Control and Prevention (CDC) reference range of 5 µg/dL

The risk assessment must be completed in accordance with program requirements, and the result of the risk assessment must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the risk assessment report from HACCC, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the "hazard reduction" as required, the dwelling unit is in violation of HQS and HACCC will take action in accordance with Section 8-II.G.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an environmental intervention blood lead level are discussed in Chapter 16.

8-I.F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.403]

If HACCC determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, HACCC must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, HACCC must terminate the HAP contract in accordance with its terms.

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PART VII: REPORTING AND RECORD KEEPING FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL

16-VII.A. OVERVIEW

HACCC has certain responsibilities relative to children with environmental intervention blood lead levels that are receiving HCV assistance. The notification, verification, and hazard reduction requirements are discussed in Chapter 8. This part deals with the reporting requirements, and data collection and record keeping responsibilities that HACCC is subject to.

16-VII.B. REPORTING REQUIREMENT [24 CFR 35.1225(e)]

HACCC must report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 business days of being so notified by any other medical health care professional.

The Lead Safe Housing Rule & Lead Disclosure Rule (LSHR) threshold for action pursuant to 24 CFR 35 is as follows:

- Confirmed EBLL >= 5 µg/dL (micrograms/deciliter)
  - Notification by public health department or other medical health care provider
  - If reported by family or other source, PHA should attempt to confirm
- Aligned with Centers for Disease Control and Prevention (CDC) reference range of 5 µg/dL

HACCC Policy

HACCC will provide the public health department written notice of the name and address of any child identified as having an environmental intervention blood lead level.

16-VII.C. DATA COLLECTION AND RECORD KEEPING [24 CFR 35.1225(f)]

At least quarterly, HACCC must attempt to obtain from the public health department(s) with a similar area of jurisdiction, the names and/or addresses of children less than 6 years old with an identified environmental intervention blood lead level.

If HACCC obtains names and addresses of environmental intervention blood lead level children from the public health department(s), HACCC must match this information with the names and addresses of families receiving HCV assistance, unless the public health department performs such a procedure. If a match occurs, HACCC must carry out the notification, verification, and hazard reduction requirements discussed in Chapter 8, and the reporting requirement discussed above.

At least quarterly, HACCC must also report an updated list of the addresses of units receiving assistance under the HCV program to the same public health department(s), unless the public health department(s) states that it does not wish to receive such a report.

HACCC Policy

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

17-VI.C. ORGANIZATION OF THE WAITING LIST

[24 CFR 983.251(C)]

HACCC may establish a separate waiting list for PBV units or it may use the same waiting list for both tenant-based and PBV assistance. HACCC may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by HACCC. If HACCC chooses to offer a separate waiting list for PBV assistance, HACCC must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

If HACCC decides to establish a separate PBV waiting list, HACCC may use a single waiting list for HACCC's whole PBV program, or it may establish separate waiting lists for PBV units in particular projects or for sets of such units.

HACCC Policy

It was past practice for HACCC ~~will~~ to use the same waiting list for both tenant-based and PBV assistance.

~~In the event HACCC's tenant-based wait list is depleted or the new tenant-based wait list has not been approved for implementation yet, the owner of PBV assisted units may refer applicants to HACCC for assistance in the PBV unit until such a time as a Site-Based Wait Lists are created or a new tenant-based wait list is cleared for implementation.~~

HACCC ~~will~~ used the HCV waiting list for PBV assistance until ~~such a time as~~ site-based waiting lists were~~are~~ established for each PBV project. All HCV applicants were~~will be~~ given the first opportunity to be placed on these site-based wait lists. Since then and ~~T~~thereafter, all applicants interested in PBV assistance shall be placed on the project's site-based wait list. Placement on the site-based wait list shall not affect applicants' placement or status on the HCV wait list.

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Establishment of Site Based Waiting List for RAD Covered Projects

24 CFR § 983.251 sets out PBV program requirements related to establishing and maintaining a voucher-wide, PBV program-wide, or site-based waiting list from which residents for the Covered Project will be admitted. These provisions will apply unless the project is covered by a remedial order or agreement that specifies the type of waiting list and other waiting list policies. HACCC shall consider the best means to transition applicants from the current public housing waiting list, including:

i. Transferring an existing site-based waiting list to a new site-based waiting list. If HACCC is transferring the assistance to another neighborhood, HACCC must notify applicants on the wait-list of the transfer of assistance, and on how they can apply for residency at the new project site or other sites. Applicants on a project-specific waiting list for a project where the assistance is being transferred shall have priority on the newly formed waiting list for the new project site in accordance with the date and time of their application to the original project's waiting list.

HACCC will establish and manage separate waiting lists for individual projects that are receiving PBV assistance. It is anticipated that HACCC shall have site-based wait lists for the following properties/projects:

		Bedrooms							
Property Name	**Address**	**0**	**1**	**2**	**3**	**4**	**5**	**Number of PBVs leased**	
Lakeside Apartments	1897 Oakmead Dr., Concord, CA 94520	0	6	12	12	0	0	30	Family Housing, Some disabled with HIV/AIDS
Brentwood Senior Apartments	750 Larkspur Lane, Brentwood, CA 94513	0	79	0	0	0	0	79	Over 62 Yrs Old
Samara Terrace Senior Apartments	102 Civic Dr, Hercules, CA 94547	0	51	0	0	0		50	Over 62 Yrs Old
Acalanes Court Apartments	1988 Trinity Ave, Walnut Creek, CA 94596	0	0	2	2	0	0	4	Family Housing
Hookston Senior Community	80 West Hookston Rd., Pleasant Hill, CA 94523	0	22	2	0	0	0	24	Over 62 Yrs Old
Giant Road Apartments	2832 Giant Rd., San Pablo, CA 94806	0	3	7	11	0	0	21	Family Housing
Belle Terre Apartments	3428 Mt. Diablo Blvd, Lafayette, CA	0	45	0	0	0	0	45	Over 62 Yrs. Old, Verifiably Disabled
Monteverde Apartments	2 Irwin Place, Orinda, CA	0	66	0	0	0	0	66	Over 62 Yrs. Old, Disabled
Berrellesa Palms Apartments	310 Berrellesa St., Martinez, CA	0	48	0	0	0	0	48	Frail elderly (over 62 Yrs Old), Disabled with HIV/AIDS
Arboleda Apartments	3rd & Baldwin St., Walnut Creek, CA	0	15	6	8	0	0	29	Family Housing, Some for disabled with HIV/AIDS
Riley Court Apartments	2050-2060 Riley Ct., Concord, CA	0	11	4	0	0	0	15	Family Housing
Riviera Family Apartments	1515 Riviera St., Walnut Creek, CA 94596	4	2	2	1	0	0	9	Family Housing
Riviera Family Apartments	1716-38 Riviera St., Walnut Creek, CA 94596	1	5	0	3	0	0	9	Family Housing
Hana Gardens Senior Apartments	10860 San Pablo Ave., El Cerrito, CA 94530	0	62	0	0	0	0	62	Over 62 Yrs Old
Tabora Gardens	3701 Tabora Dr., Antioch, CA 94509	0	29	0	0	0	0	29	Veterans, Family, Disabled
Garden Park Apartments	2387 Lisa Lane Pleasant Hill, CA 94523	0	22	5	0	0	0	27	Disabled, Family Housing

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Robin Lane Apartments	1149 Meadow Lane Concord, CA 94520	0	2	6	0	0	0	8	Family Housing

17-VI.D. SELECTION FROM THE WAITING LIST

[24 CFR 983.251(C)]

Applicants who will occupy units with PBV assistance must be selected from HACCC's site-based waiting list for that property. HACCC shall establish selection criteria or preferences for occupancy of particular PBV units. HACCC may place families referred by the PBV owner to their PBV site-based waiting list.

Continuum of Care Assisted Units

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In addition to site-based waiting lists for each PBV property, HACCC shall maintain a separate wait list for units designated for assistance through the Continuum of Care's Coordinated Entry System (CES). These units are required to be used to house homeless families that are in the CES for housing assistance referral. When vacancies occur at the PBV properties in these designated units, the owner shall request a suitable referral from the Coordinated Entry System. Once the owner has reviewed the application and accepted the referral for housing assistance, the owner shall refer the family to HACCC's initial eligibility team for program eligibility determination and leasing. Families will only be placed on this waiting list if they are deemed suitable for occupancy by the owner and immediately processed for intake.

This waiting list will not have a preference designation since all additions to the list will immediately be designated for specific units within the PBV portfolio. The only qualifier will be the date and time of the applicant's addition to the CES wait list.

Units eligible for CES assistance and priority are as follows:

- Garden Park Apartments - 2387 Lisa Lane, Pleasant Hill, CA
- Lakeside Apartments - 1897 Oakmead Dr., Concord, CA
  1. Unit A-10
  2. Unit B-3
  3. Unit B-5
  4. Unit C-1
  5. Unit C-7
  6. Unit C-8
  7. Unit D-2
  8. Unit D-16
  9. Unit E-1
  10. Unit E-13
  11. Unit G-9

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This list may be modified from time to time to reflect new units added to the CES portfolio with PBV designations.

Income Targeting [24 CFR 983.251(C)(6)]

Homeless - RAD SRO ONLY: Eligible households for RAD PBV projects converted from the McKinney Moderate Rehabilitation Single Room Occupancy (SRO) Program to RAD under Component 2 of the RAD Program who verify homelessness pursuant to the HUD McKinney-Vento Homeless Assistance Act as amended by the HEARTH Act and contained in the Continuum of Care at 24 CFR § 578.3. (50 Points)

Eligible in-place families as described as described in Section 17-VI.B. (200 Points);

Eligible households from the Housing Choice Voucher Wait List. (150 Points);

Current or former members of the U.S. Armed Forces, veterans, or surviving spouses of veterans (as required by state law) (1 Point);

Applicants who live, work or have been hired to work in the City wherein the housing units are located. (32 Points);

Applicants who live, work or have been hired to work in HACCC's jurisdiction (all of Contra Costa County) The use of a residency preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family;

- Eligibility for this preference must be demonstrated by having a permanent physical residence within the jurisdictional area. Physical residence shall be defined as a domicile with a mailing address, other than a P.O. Box, for which the applicant can produce one or more of the following: a lease or purchase agreement, utility bills in their name showing the stated address, two pieces of first class mail addressed to the applicant or a member of their household at the stated address. In certain circumstances of homelessness, third party verification from service agencies, clergy, merchants or other reliable source can be substituted subject to the approval of HACCC. (10 Points)

Applicants who have been involuntarily displaced from housing due to a federal or state declared disaster, government action (e.g., code enforcement, public improvement or development. Government action will also include participants in a witness protection program) or action by a housing owner that is beyond an applicant's ability to control and which occurs despite the applicant's having met all previous conditions of occupancy, and is other than a rent increase (e.g. conversion of a unit to non-rental or residential use, owner wants the property for personal use, foreclosure). If the owner is an immediate family relative and there has been no previous rental agreement and the applicant has been part of the owner's family immediately prior to application, the applicant will not be considered involuntarily displaced. To receive this preference, applicants must not be living in standard, permanent replacement housing. (state law requires a preference in cases of displacement by public or private action) (20 Points);

17-VII.D. EXCEPTIONS TO THE OCCUPANCY CAP [24 CFR 983.262]

The PHA may not pay housing assistance under a PBV HAP contract for more than the greater of 25 units or 25 percent of the number of dwelling units in a project unless:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project
- The project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates - (40% Cap)

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined by HACCC and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit. However, if the FSS family fails to successfully complete the FSS contract of participation or supportive services objective and consequently is no longer eligible for the supportive services, the family must vacate the unit within a reasonable period of time established by the PHA, and the PHA shall cease paying HAP on behalf of the family.

Further, when a family (or remaining members of a family) residing in an excepted unit no longer meets the criteria for a "qualifying family" because the family is no longer an elderly due to a change in family composition, HACCC has the discretion to allow the family to remain in the excepted unit. If HACCC does not exercise this discretion, the family must vacate the unit within a reasonable period of time established by HACCC, and HACCC must cease paying housing assistance payments on behalf of the non-qualifying family.

Individuals in units with supportive services who choose to no longer participate in a service or who no longer qualify for services they qualified for at the time of initial occupancy cannot subsequently be denied continued housing opportunity because of this changed circumstance. A PHA or owner cannot determine that a participant's needs exceed the level of care offered by qualifying services or require that individuals be transitioned to different projects based on service needs.

If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the project in accordance with program requirements; or the owner terminates the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by HACCC.

HACCC may allow a family that initially qualified for occupancy of an excepted unit based on elderly family status to continue to reside in a unit, where through circumstances beyond the control of the family (e.g., death of the elderly family member or long-term or permanent hospitalization or nursing care), the elderly family member no longer resides in the unit. In this case, the unit may continue to be counted as an excepted unit for as long as the family resides in that unit. Once the family vacates the unit, in order to continue as an excepted

PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011

<table>
<tr><td>1.0</td><td colspan="6">PHA Information
PHA Name: Housing Authority of the County of Contra Costa (HACCC) PHA Code:CA011
PHA Type: ☐ Small ☐ High Performing ☒ Standard ☐ HCV (Section 8)
PHA Fiscal Year Beginning: (MM/YYYY): 04/2018</td></tr>
<tr><td>2.0</td><td colspan="6">Inventory (based on ACC units at time of FY beginning in 1.0 above)
Number of PH units: ___1,177______________ Number of HCV units: ___6,921_________</td></tr>
<tr><td>3.0</td><td colspan="6">Submission Type
5-Year and Annual Plan X Annual Plan Only ☐ 5-Year Plan Only</td></tr>
<tr><td>4.0</td><td colspan="6">PHA Consortia ☐ PHA Consortia: (Check box if submitting a joint Plan and complete table below.)</td></tr>
<tr><td rowspan="5"></td><td rowspan="2">Participating PHAs</td><td rowspan="2">PHA Code</td><td rowspan="2">Program(s) Included in the Consortia</td><td rowspan="2">Programs Not in the Consortia</td><td colspan="2">No. of Units in Each Program</td></tr>
<tr><td>PH</td><td>HCV</td></tr>
<tr><td>PHA 1:</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>PHA 2:</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>PHA 3:</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>5.0</td><td colspan="6">5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update.</td></tr>
<tr><td>5.1</td><td colspan="6">Mission. State the PHA’s Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA’s jurisdiction for the next five years:

To provide high quality affordable housing solutions and to promote self-sufficiency for low-income people of Contra Costa County.</td></tr>
<tr><td>5.2</td><td colspan="6">Goals and Objectives. Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

HACCC’S Goals are to:
• Expand the Supply of Assisted Housing
• Improve the Quality of Assisted Housing
• Provide an Improved Living Environment
• Promote Self-sufficiency and Asset Development of Families and Individuals
• Ensure Equal Opportunity in Housing
• Expand literacy across all agency housing program participants

See Attachment A for a progress report on meeting these goals over the past five years.</td></tr>
</table>

6.0	**PHA Plan Update** (a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission: The following Plan elements have been revised since HACCC's last Annual Plan submission: HACCC added the following item to its Public Housing Admissions and Continued Occupancy Plan: **See Attachment B** HACCC added the following items to Administrative Plan: **See Attachment C** (b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions. • 3133 Estudillo Street Martinez, CA (Main administrative office). • 990 A Rosemary Lane, Oakley, CA (Oakley AMP office) • 875 El Pueblo Avenue, Pittsburg, CA (El Pueblo AMP office) • 1601 North Jade Street, Richmond, CA (North Richmond AMP office) • #2 California Street, Rodeo, CA (Rodeo AMP office) • 2870 Howe Road, Martinez, CA (Main HCV Office) • www.contracostahousing.org (HACCC website) • www.hud.gov/offices/pih/pha/approved (HUD website - available after HUD approval)
7.0	**Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers.** *Include statements related to these programs as applicable.* **a) HOPE VI or Mixed Finance Modernization or Development.** HACCC has contracted with CSG Advisors in order to identify funding mechanisms to rehabilitate or redevelop all of its public housing properties. HACCC's goal is to preserve or increase the number of housing units affordable to public housing eligible families (regardless of whether they remain public housing specifically) and to provide adequate funding for these units over the long term. HACCC continues to evaluate and consider its options for development and preservation of its public housing portfolio. Addressing its needs may include applying for additional RAD, Choice Neighborhoods, a Phase II Energy Performance Contract or any other appropriate HUD programs. HACCC has already been awarded RAD funding for 214 units at Las Deltas in North Richmond (CA011-006, CA011-009A, CA011-009B). HACCC may also seek state and local funding through bonds, tax credits or any other available programs. **b) Conversion of Public Housing.** HACCC has contracted with CSG Advisors in order to identify funding mechanisms to rehabilitate or redevelop all of its public housing properties. If CSG's analysis shows that a viable plan does not exist to adequately fund rehabilitation and ongoing maintenance at any of HACCC's public housing properties, HACCC may submit voucher conversion applications for any of its public housing properties. HACCC also may submit applications to HUD for any other conversion funding programs that become available. **c) Homeownership.** HACCC currently offers a homeownership voucher program. **d) Project-based Vouchers.** HACCC has already committed 429 project-based vouchers (PBV). In addition, HACCC has conditionally approved 367 PBV units for thirteen projects, of which 214 units are committed to the RAD Program, as replacement housing for units removed from the public housing inventory at Las Deltas. The use of PBVs is consistent with HACCC's PHA Plan. Among HACCC's goals are to expand the supply of assisted housing and to increase assisted housing choices. By utilizing PBVs from HACCC, developers are able to leverage funding and produce additional units of new or modernized affordable housing. HACCC plans to award PBV funding throughout its jurisdiction in order to provide affordable housing options for clients in as broad a geographic area as possible. HACCC may also utilize PBVs in any other public housing redevelopment/repositioning projects it may undertake.
8.0	**Capital Improvements.** Please complete Parts 8.1 through 8.3, as applicable.
8.1	**Capital Fund Program Annual Statement/Performance and Evaluation Report.** As part of the PHA 5-Year and Annual Plan, annually complete and submit the *Capital Fund Program Annual Statement/Performance and Evaluation Report,* form HUD-50075.1, for each current and open CFP grant and CFFP financing. See attached.
8.2	**Capital Fund Program Five-Year Action Plan.** As part of the submission of the Annual Plan, PHAs must complete and submit the *Capital Fund Program Five-Year Action Plan,* form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan. See attached.
8.3	**Capital Fund Financing Program (CFFP).** ☐ Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.

9.0	Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. Based on the most recent Consolidated Plan for the County (2015-2020), of 335,053 households in the HOME Consortia area, there are 142,353 households or 42 percent of all households that are at 100 percent of Area Median Income (AMI) or below. Of these households, nearly 70 percent experience at least one or more housing problems as defined by HUD, with most housing issues experienced disproportionately by renters. Renters make up 35 percent of total households and 50 percent of those experiencing one or more housing problems. The area of greatest need is among renters in the extremely low-income category: 18,455 households, or 50 percent, experience substandard housing, overcrowding, or cost burden. Of those, 73 percent suffer from a cost burden of greater than 50 percent of income. According to HUD, disproportionate need refers to any need that is more than ten percentage points above the need demonstrated for the total households. The Contra Costa Consortium has 335,053 households, 142,353 of which have incomes below AMI. The number of households below AMI with a housing problem is 99,575, which represents about 70 percent of below-AMI households. While all racial/ethnic groups at particular income levels experience housing problems, there are three groups experiencing disproportionate housing need throughout the income spectrum. At the extremely low-income range (0-30 percent AMI) 84 percent of all households have a housing need, while 100 percent of American Indian/Alaska Natives experience a disproportionate need. At the low-income range (30-50 percent AMI), 74 percent of all households experience a housing need, while 88 percent of Black/African American and 85 percent of Hispanics experience a disproportionate housing need. At the moderate-income range (50-80 percent AMI), 64 percent of all households have a housing need, and 83 percent of Pacific Islanders experience a disproportionate housing need. At median income (80-100 percent AMI), 53 percent of all households have a housing need, while both Pacific Islanders (85 percent) and Hispanics (67 percent) experience a disproportionate housing need. The number of Contra Costa HOME Consortium households with a severe housing problem is 59,340, which represents about 43 percent of all households below 100 percent AMI. While all racial/ethnic groups experience housing problems at particular income levels, there are three groups experiencing disproportionate housing need throughout the income spectrum. At the extremely low-income range (0-30 percent AMI), 81 percent of all households have a severe housing need, and 88 percent (185 households) of Pacific Islanders experience a disproportionate need. At the low-income range (30-50 percent AMI), 48 percent of all households experience a housing need, while 58 percent of Hispanics experience a disproportionate severe housing need. At the moderate-income range (50-80 percent AMI), 32 percent of all households experience a housing need, while 46 percent of Pacific Islanders experience a disproportionate housing need. At the median income range (80-100 percent AMI), 20 percent of all households have a housing need, and an incredible 74 percent of Pacific Islanders experience a disproportionate severe housing need. Cost burden is defined as paying more than 30 percent of a household's income for housing. Severe cost burden is paying more than 50 percent of the household income for housing costs. In Contra Costa, 44 percent of all households are either cost burdened, or severely cost burdened. Pacific Islanders (473 households, or 37 percent) have a disproportionate cost burden. Both Black/African Americans (6,459 households, 28.8 percent) and Hispanics (14,343 households, 28.9 percent) experience disproportionate severe cost burden. There are 29,715 households with incomes at or less than 30 percent of the AMI with a housing problem. American Indians, Alaska Natives (140 households) have a disproportionate need. There are 24,762 households with incomes between 30 and 50 percent of the AMI with a housing problem. Black/African American (2,394 households) have a disproportionate need. There are 23,555 households with incomes between 50 and 80 percent of the AMI with a housing problem. Pacific Islanders (150 households) have a disproportionate need. There are 25,010 households with incomes at or less than 30 percent of the AMI with a severe housing problem. Pacific Islanders (185 households) have a disproportionate need. There are 16,142 households with incomes between 30 and 50 percent of the AMI with a housing problem. Hispanics (5,214 households) have a disproportionate need. There are 11,869 households with incomes between 50 and 80 percent of the AMI with a housing problem. Pacific Islanders (80 households) have a disproportionate need. 46.2% of the County's renter households live in overcrowded housing. Among racial and ethnic groups reported in the Census, Latino/Hispanic households are most likely to live in crowded conditions in the County with 12.8% in such conditions. According to 2010 U.S. Census Data, the population of seniors 65 and older from 2000 to 2010 increased from 107,272 to 130, 432 in Contra Costa County, an increase of 21.5 percent. According to the American Community Survey (2008-12), 21.3 percent of households were headed by seniors. The three jurisdictions with the largest share of senior households are Walnut Creek (37.5 percent), Moraga (33.3 percent), and Orinda (30.9 percent) (ACS Data 2008-2012). Of the total County's senior population, nearly 35 percent have a disability limitation. Of all the jurisdictions in the County, San Pablo (51.1 percent), Pittsburg (46 percent), and Oakley (46.2 percent) have the highest share of senior populations living with disabilities. There are only approximately 10,200 assisted rental units affordable to lower-income households, of which, over 950 are at risk of converting to market rate housing. Over 7,000 beds in 473 residential care facilities are available for individuals with special needs, (such as frail elderly and persons with disabilities) who cannot live independently in conventional housing. However, this is significantly less than the population of frail elderly, disabled, and others who may need a supportive housing environment. Due to the ongoing gap in the availability of affordable housing, the County Consortium has assigned a high priority to new housing construction, homeownership assistance, and housing rehabilitation, particularly for households earning less than 50 percent of the area median income. Two final measures of need are seen in HACCC's most recent housing choice voucher and public housing wait list openings. In November, 2008 the voucher wait list opening attracted nearly 40,000 families who applied for 6,000 positions on the wait list. In March 2017, nearly 17,000 families applied for the wait list for HACCC's 1,177 unit public housing program. In 2018, the housing choice voucher wait list will open to general public. This summary of the need for affordable housing in HACCC's jurisdiction is based on County's Consolidated Plan, Census Data, data from the California Budget Project and the Authority's Wait List.

9.1	**Strategy for Addressing Housing Needs**. Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.** • Lease Public Housing units to families on the public housing wait list. • Issue vouchers to families on the HCV wait list. • Award project-based vouchers to developers creating or preserving affordable housing. • Partner with the County to the extent permitted by HUD regulations to award project-based vouchers to developers receiving affordable housing funding from the County. • Attempt to increase HACCC's total affordable housing units as the Authority repositions its public housing stock. • Continue to contract with other Cities in Contra Costa to manage their rental rehabilitation program, which helps to preserve and expand the supply of affordable housing. • Continue to operate the Authority's self-sufficiency programs despite surpassing HUD's participation/graduation requirements in an effort to stabilize and solidify the financial positions of • families currently on the program while freeing existing housing subsidies for new families.
10.0	**Additional Information**. Describe the following, as well as any additional information HUD has requested. (a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan. See Attachment A (b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification" • Changes to rent policies • Changes to admission policies • Changes to organization of any waiting list • Changes in the use of the Capital Fund • Any change regarding the demolition, disposition or conversion designation of a property (c) As part of the Rental Assistance Demonstration (RAD), HACCC is redefining the definition of a substantial deviation from the PHA Plan to exclude the following RAD-specific items: 1. The decision to convert to either Project Based Rental Assistance or Project Based Voucher Assistance; a. Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds; b. Changes to the construction and rehabilitation plan for each approved RAD conversion; and c. Changes to the financing structure for each approved RAD conversion.

11.0	**Required Submission for HUD Field Office Review**. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. **Note:** Faxed copies of these documents will not be accepted by the Field Office. (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations* (which includes all certifications relating to Civil Rights) (b) Form HUD-50070, *Certification for a Drug-Free Workplace* (PHAs receiving CFP grants only) (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* (PHAs receiving CFP grants only) (d) Form SF-LLL, *Disclosure of Lobbying Activities* (PHAs receiving CFP grants only) (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* (PHAs receiving CFP grants only) (f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations. (g) Challenged Elements (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (PHAs receiving CFP grants only) (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only)

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated there under at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Instructions form HUD-50075

Applicability. This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

1.0 PHA Information
Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

2.0 Inventory
Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

3.0 Submission Type
Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

4.0 PHA Consortia
Check box if submitting a Joint PHA Plan and complete the table.

5.0 Five-Year Plan
Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

5.1 Mission. A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan**.**

5.2 Goals and Objectives. Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

6.0 PHA Plan Update. In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

(a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.

(b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central off ice of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.

3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.

4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.

5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.

6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: **1**) development name and number; **2**) designation type; **3**) application status; **4**) date the designation was approved, submitted, or planned for submission, and; **5**) the number of units affected.

7. **Community Service and Self-Sufficiency.** A description of: (**1)** Any programs relating to services and amenities provided or offered to assisted families; (**2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; **(3)** How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**

8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the

appropriate police precincts for carrying out crime prevention measures and activities.

9. P**ets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.

10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.

11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.

12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.

13. **Violence Against Women Act (VAWA).** A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

(a) **Hope VI or Mixed Finance Modernization or Development.** **1)** A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and **2)** A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm

(b) **Demolition and/or Disposition.** With respect to public housing projects owned by the PHA and subject to ACCs under the Act: **(1)** A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and **(2)** A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm
Note: This statement must be submitted to the exten**t that approved and/or pending** demolition and/or disposition has changed.

(c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: **1)** A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or that the public housing agency plans to voluntarily convert; **2)** An analysis of the projects or buildings required to be converted; and **3)** A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/conversion.cfm

(d) **Homeownership**. A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.

(e) **Project-based Vouchers**. If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

8.0 Capital Improvements. This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report. PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

(a) To submit the initial budget for a new grant or CFFP;

(b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and

(c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;

2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and

3. Upon completion or termination of the activities funded in a specific capital fund program year.

8.2 Capital Fund Program Five-Year Action Plan

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

8.3 Capital Fund Financing Program (CFFP). Separate, written HUD approval is required if the PHA proposes to pledge any portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at: http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm

9.0 Housing Needs. Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note:** Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

9.1 Strategy for Addressing Housing Needs. Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **(Note:** Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).

10.0 Additional Information. Describe the following, as well as any additional information requested by HUD:

(a) Progress in Meeting Mission and Goals. PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan**. (Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

(b) Significant Amendment and Substantial Deviation/Modification. PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

(c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

11.0 Required Submission for HUD Field Office Review. In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

(a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*

(b) Form HUD-50070, *Certification for a Drug-Free Workplace* **(PHAs receiving CFP grants only)**

(c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions* **(PHAs receiving CFP grants only)**

(d) Form SF-LLL, *Disclosure of Lobbying Activities* **(PHAs receiving CFP grants only)**

(e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet* **(PHAs receiving CFP grants only)**

(f) Resident Advisory Board (RAB) comments.

(g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.

(h) Form HUD-50075.1**, *Capital Fund Program Annual Statement/Performance and Evaluation Report*** **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.1.

(i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* **(Must be attached electronically for PHAs receiving CFP grants only).** See instructions in 8.2.

To: Contra Costa County Housing Authority Board of Commissioners

From: Joseph Villarreal, Housing Authority

Date: December 12, 2017

Contra Costa County

Subject: FINANCIAL AND PROGRAM AUDIT FOR FISCAL YEAR ENDING MARCH 31, 2017

RECOMMENDATIONS

ACCEPT the financial and program compliance audit report for the period April 1, 2016, through March 31, 2017, prepared by Harn & Dolan CPA's, Walnut Creek, California.

BACKGROUND

The U. S. Department of Housing & Urban Development (HUD) requires every housing authority to have an annual independent audit conducted of its financial statements and business activities as well as of compliance with program requirements for the public housing, Housing Choice Voucher and Shelter-Plus Care programs. HACCC contracted with Harn & Dolan to prepare the audit report for the fiscal year ending March 31, 2017.

Harn & Dolan's audit identified no findings and no material weaknesses in either the financial or program compliance portions of the audit. The complete audit and the management letter are attached.

FISCAL IMPACT

None. Information item. Funding was provided for the audit contract in the Housing Authority of the County of Contra Costa's (HACCC) Fiscal Year 2017/2018 Consolidated Operating Budget.

Action of Board On: **12/12/2017** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 12, 2017

Joseph Villarreal, Executive Director

Contact: 925-957-8028

By: , Deputy

cc:

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners elect not to accept the financial audit report as performed by the certified public accountancy firm of Harn & Dolan, it would become necessary to expend additional funds to either redo the financial audit report or contract with another certified public accountancy firm to conduct an audit of HACCC's finances and programs.

CHILDREN'S IMPACT STATEMENT

ATTACHMENTS

Audit Report

Management Report

HOUSING AUTHORITY
OF THE COUNTY OF CONTRA COSTA
(A Component Unit of the County of Contra Costa)
BASIC FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2017
(Including Auditors' Report Thereon)

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
BASIC FINANCIAL STATEMENTS
MARCH 31, 2017

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Harn & Dolan
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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Housing Authority of the
County of Contra Costa
Martinez, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the County of Contra Costa, component unit of the County of Contra Costa, California (the Authority), as of and for the year ended March 31, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents. We did not audit the financial statements of the aggregate discretely presented component units reported in the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of HACCC Casa Del Rio, Inc, a California Nonprofit Public Benefit Corporation and CDR Senior Housing Associates, a California Limited Partnership, which represent 14.6%, -20.3% and 0.4%, respectively, of the primary government's assets, net position, and revenue. We did not audit the financial statements of DeAnza Housing Corporation, a California Nonprofit Public Benefit Corporation and DeAnza Gardens L.P. a California Limited Partnership, which are combined and reported as discretely presented component units titled Component Units in the fund financial statements. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units and blended component units - Casa Del Rio Housing is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority, as of March 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11, schedule of proportionate share of the net pension liability on page 60, schedule of employer contributions on page 60, and schedule of funding progress for OPEB on page 60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the County of Contra Costa, California's basic financial statements. The schedule of relevant statistics is presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The accompanying Financial Data Schedules (CA011) are presented for purposes of additional analysis as required by *Uniform Financial Reporting Standards* issued by the U.S. Department of Housing and Urban Development and are not a required part of the basic financial statements. Finally, the accompanying Schedule of Completed Capital Fund Program

Project is presented for the purpose of additional analysis as required by the U.S. Department of Housing and Urban Development and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards, Financial Data Schedules, and Schedule of Completed Capital Fund Program Project are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the Untied States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The schedule of relevant statistics has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2017, on our consideration of the Housing Authority of the County of Contra Costa, California's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Harn & Dolan

November 17, 2017

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
MANAGEMENT DISCUSSION AND ANALYSIS
MARCH 31, 2017

The management of the Housing Authority of the County of Contra Costa (the Authority) would like to provide the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended March 31, 2017.

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

- Net position decreased by $100,996 (or 1.78%) during 2017 (see Table 1) as a result of positive changes in the net pension liability of $473,506 and a negative change in normal operations of $574,500.
- Unrestricted net position increased by $322,369 (or 74.81%) during 2017 (see Table 1) as a result of positive change in the net pension liability of $473,506 and a negative change in normal operations in the amount of $151,136.
- Total revenue increased by $7.3 million (or 6.9%) as a result of current year activities (see Table 3).
- Total expenditures increased $8.4 million (or 8.1%) as a result of current year activities (see Table 3).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of three parts as follows: (1) **Fund Financial Statements**, (2) **Notes to the Basic Financial Statements**, and (3) **Supplementary Information**.

FUND FINANCIAL STATEMENTS

The Fund Financial Statements presentation is similar to the traditional government financial statements. The statements are the Statement of Net Position, the Statement of Revenue, Expenses, and Changes in Fund Net Position, and the Statement of Cash Flows. The focus is now on Major Funds, rather than fund types. The Authority's funds consist exclusively of Enterprise Funds. Enterprise funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector accounting.

Many of the funds administered by the Authority are provided by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control. GASB's 34 and 37 require individual enterprise funds to be reported as major funds if total assets, liabilities, revenue, or expenses of that individual fund exceed 10% or corresponding element total of the Authority as a whole. In the past, the Authority reported four major funds and an aggregate column for non-major funds. Beginning April 1, 2006, the Authority reported all of its activities in one major fund titled "Housing". The Authority's mission is to provide affordable housing within the County of Contra Costa, regardless of grant or program. Therefore, we believe that reporting all activity in one fund is consistent with this mission and simpler for the readers of the Authority's report.

(Continued)

The Authority's activity includes:

Public Housing – Under the Public Housing Program, (also titled as 'Low Rent-Aided Housing') the Authority rents units that it owns to very low & low-income households. The Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD. The ACC provides Operating Subsidy and Capital improvement Grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income or at a flat rate below market rate.

Public Housing Capital Fund Grant - HUD provides grants for the modernization of the Public Housing Program units. The modernization is accounted for by each grant, which is merged as a part of the Public Housing Program totals.

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, (hereunder titled as 'Voucher' Program) the Authority administers the program under an Annual Contributions Contract (ACC) with HUD. The ACC provides funding to the Authority to provide tenant based rental assistance to program participants. The rental assistance payment is structured so as the rental payment that the participant is obligated to pay is 30% to 40% of household income. This is a major federal program.

Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation - is a U.S. Department of Housing and Urban Development funded rehabilitation program that provides project based rental assistance based on Housing Voucher methodology in determining subsidized rent and program compliance.

Casa Del Rio, Associates - Casa Del Rio, Senior Housing Associates (CDR) was formed as a limited partnership on April 12, 1994, for the purpose of developing, owning and operating an 82-unit affordable housing rental complex (the project) located in Antioch, California. The Project qualifies for low-income housing tax credits under Section 42 of the Internal Revenue Service Code. Such projects are regulated under terms of a Regulatory Agreement, including rent charges, operating methods and other matters. This limited partnership is considered to be a blended component unit of the Authority. The most recent audits were for the fiscal year ended December 31, 2016. These reports can be obtained from the Authority using the information on page 11.

Casa Del Rio, Incorporated - The general partner of the Casa Del Rio Partnership is HACCC Casa Del Rio, Inc., a California public benefit corporation. The officers and Board members of HACCC Casa Del Rio, Inc. are employees of the Authority, which was the developer of the Project, and is consider a blended component unit of the Housing Authority. These component units receive separate audit reports performed on a calendar year basis. The most recent audits were for the fiscal year ended December 31, 2016. These reports can be obtained from the Authority using the information on page 11.

Casa Del Rio Apartments, LLC - This limited liability corporation is being formed to replace the limited partner "Boston Capital" of the Casa Del Rio Partnership. The officers and Board members of HACCC Casa Del Rio, Inc will direct the LLC.

Shelter Plus Care Program – is designed to provide rental assistance and supportive services to homeless and disabled individuals and their families. It is cooperatively administered by the County Health Services Department and the Housing Authority of Contra Costa County, and has the capacity to serve roughly 200 households.

(Continued)

Participants receive rental assistance and supportive services funded by the U.S. Department of Housing and Urban Development.

CDBG Rental Rehabilitation Program (RRP) - Under the RRP, the Authority executes annual funding contract with various governmental entities to fund the operations of a program that assists rental property owners with rehabilitation of housing units to help assure a supply of affordable rental apartments and homes for its Section 8/Voucher users and other low-income households. Technical assistance in determining repairs is provided by Authority staff and below-market-rate loans are made to cover part of rehabilitation costs. Program administrative costs are shared by the funding providers and the Authority.

Rental Rehabilitation Program (RRP) - Under the RRP, the Authority operates a program that assists rental property owners with rehabilitation of housing units to help assure a supply of affordable rental apartments and homes for its Section 8/Voucher users and other low-income households. Technical assistance in determining repairs is provided by Authority staff and below-market-rate loans are made to cover part of rehabilitation costs. Funds from this program are to supplement the CDBG RRP for loans or administration.

Management Fund & County Programs – This program is often referred to as the “State and Local Fund”. The fund represents non-HUD resources developed from a variety of activities, including developer fees, management fees, program cost reimbursement, and other local and non local activities. This fund administers the pension and benefit programs for the agency.

Central Office Cost Center - The COCC fund earns revenue from fees and services provided to various federal programs. The funds earned are considered non-HUD funds and go to cover the overhead and support services provided to the various federal programs. HUD is currently preparing rule changes that will restrict these funds to use in Federal programs only.

Discretely Presented Component Unit:

DeAnza Gardens L.P. (DeAnza)– DeAnza was formed as a limited partnership on December 10, 2001 for the purpose of acquisition, ownership, maintenance, and operation of 180 multi-family affordable rental housing complex located in Contra Costa County.

The project was built on land owned by and leased from the Housing Authority of the County of Contra Costa (the Authority). Under the terms of the lease, title to the improvements reverts to the lesser at the end of the 75-year lease. The Project qualifies for low-income housing tax credits under Section 42 of the Internal Revenue Service Code. Such projects are regulated under terms of a Regulatory Agreement, including rent charges, operating methods and other matters.

DeAnza Corporation, Inc. The general partner of DeAnza Gardens L.P. is DeAnza Corporation Inc., a California public benefit corporation. The officers and Board members of the corporation are separate and apart from the Housing Authority. The only Board member position in the corporation that represents the Housing Authority is the Executive Director, who serves as one of the five board positions of the corporation. The Housing Authority has been designated as the managing general partner.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
MANAGEMENT DISCUSSION AND ANALYSIS
MARCH 31, 2017

(Continued)

The DeAnza entities, under HUD REAC's direction, are to be considered by the Authority as other organizations for which the nature and significance of their relationship with the Authority are such that exclusion would cause the Authority's financial statements to be misleading or incomplete. As such, the Authority considers these two entities to be discretely presented component units. These component units receive separate audit reports performed on a calendar year basis. The most recent audits were for the calender year ended December 31, 2016. These reports can be obtained from the Authority using the information on page 11.

Also included in the Basic Financial statements are:

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

Supplementary Information. Certain information is required to be included in this report by various federal agencies. This information is included after the notes to the financial statements under the title supplementary information.

TABLE 1

STATEMENT OF NET POSITION

The following table reflects the condensed Statement of Net Position, for the primary government, compared to prior year. The Authority is engaged only in Business-Type Activities.

	March 31, 2017	March 31, 2016	Increase (Decrease)	%
Current assets	$ 9,848,249	$ 9,394,876	453,373	4.83%
Restricted assets	1,344,572	1,342,600	1,972	0.15%
Capital assets, net of depreciation	11,904,435	12,433,904	(529,469)	4.26%
Other noncurrent assets	3,550,017	3,458,413	91,604	2.65%
Total assets	26,647,273	26,629,793	17,480	0.07%
Deferred outflows of resources	2,013,425	2,165,706	(152,281)	7.03%
Current liabilities	2,479,636	1,910,672	568,964	29.78%
Payable from restricted assets	784,364	633,674	150,690	23.78%
Long term liabilities	19,809,372	20,562,831	(753,459)	3.66%
Total liabilities	23,073,372	23,107,177	(33,805)	0.15%
Deferred inflows of resources	-	-	-	
Net position:				
Net investment in capital assets	5,104,662	5,391,407	(286,745)	5.32%
Restricted	591,228	727,848	(136,620)	18.77%
Unrestricted	(108,564)	(430,933)	322,369	74.81%
Total net position	$ 5,587,326	$ 5,688,322	$ (100,996)	1.78%

(Continued)

Major Factors Affecting the Statement of Net Position
The major factor affecting net position was a reduction in the pension liability of $473,506, but an increase to normal operations in the amount of $574,500. The increase in normal operations was a result in the cost of subsidy levels in the Housing Choice Voucher program due to increased rental market in the area.

Table 2 below presents details on the change in Unrestricted Net Position.

TABLE 2
CHANGE OF UNRESTRICTED NET POSITION BY PROGRAM

	Beginning Balance 04/01/2016	Change of Unrestricted Position this Report Period	Ending Balance 03/31/2017
Housing Choice Voucher Program	$ 4,063,503	$ (154,752)	$ 3,908,751
Public Housing (including Capital Fund)	1,099,553	105,460	1,205,013
Central Office Cost Center	654,677	(28,225)	626,452
Casa Del Rio (blended component unit)	6,063	(128,547)	(122,484)
Housing Assistance Section 8 Mod Rehab	4,890	(4,890)	-
CDBG Loan	16	(16)	-
Other State and Local	(6,259,635)	533,339	(5,726,296)
Authority totals	$ (430,933)	$ 322,369	$ (108,564)

While the result of operations is a significant measure of the Authority's activities, the analysis of the changes in unrestricted net position provides a clearer change in financial well-being of each of the program areas. The major change in the unrestricted net position this period was a result of reduced pension liability in the Other State & Local program.

(Continued)

TABLE 3
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only in Business-Type Activities.

	Actual March 31, 2017	Budget March 31, 2017	Actual March 31, 2016	Budget March 31, 2016
Operating revenue:				
Rental and other	$ 5,667,202	$ 3,486,808	$ 5,553,837	$ 4,857,689
Non-operating revenue:				
Federal grants and subsidies	105,487,094	99,664,495	98,995,429	93,837,509
Capital contributions	1,050,023	844,419	306,752	800,664
Other revenue	151,752	1,085,122	223,519	1,583,239
Total revenues	112,356,071	105,080,844	105,079,537	101,079,101
Operating expenses:				
Administration	8,704,429	7,971,279	8,036,311	9,060,709
Tenant services	816,732	525,904	498,416	378,781
Utilities	2,059,458	1,813,653	1,875,060	2,124,989
Maintenance	4,539,045	4,085,259	4,123,891	3,554,343
General	1,387,597	1,263,931	1,270,001	1,454,982
Housing assistance payments	92,977,420	85,122,883	85,978,059	82,656,425
Depreciation	1,754,951	2,597,597	2,050,894	3,239,401
Non-operating expenses:				
Debt-service interest	217,435	291,040	235,480	987,931
Capital Expenses	-	844,419	-	1,015,708
Loan amortization and fees	-	-	4,244	-
Total expenses	112,457,067	104,515,965	104,072,356	104,473,269
Changes in net position	(100,996)	564,879	1,007,181	(3,394,168)
Net position, beginning of the year	5,688,322	5,688,321	13,868,749	13,868,749
Prior period adjustment	-	-	(9,187,608)	-
Net position, end of the year	$ 5,587,326	$ 6,253,200	$ 5,688,322	$ 10,474,581

Major Factors Affecting the Statement of Revenue, Expenses and Changes in Net Position

The major factors affecting the Statement of Revenue, Expenses, and Changes in Net Position was a combination of two items; the reduction in the pension liability of $473,506 and an increase to normal operations in the amount of $574,500. The increase in normal operation was a result of the increase in the cost of subsidy levels in the Housing Choice Voucher Program due to increased rental market in the area.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year-end, the Authority had $11.9 million invested, see also Note 5 to the basic financial statements.

TABLE 4
CAPITAL ASSETS

	March 31, 2017	March 31, 2016	Change
Land	$ 1,825,993	$ 1,825,993	$ -
Buildings	98,618,966	97,860,387	758,579
Equipment	2,871,699	2,621,168	250,531
Accumulated Depreciation	(91,740,253)	(90,078,351)	(1,661,902)
Construction In Progress	328,030	204,707	123,323
Total	$ 11,904,435	$ 12,433,904	$ (529,469)

The following reconciliation summarizes the change in Capital Assets.

TABLE 5
CHANGE IN CAPITAL ASSETS

	2017	2016
Capital assets - beginning of year	$ 12,433,904	$ 14,091,150
Additions:		
Capital Fund Grant:		
Improvements to dwelling units	881,903	306,752
Equipment	168,120	-
Equipment	175,459	86,896
Depreciation	(1,754,951)	(2,050,894)
Capital assets - end of year	$ 11,904,435	$ 12,433,904

Notes Payable Outstanding

As of year-end, the Authority had $4,995,883 of notes payable outstanding, see Note 6 to the basic financial statements.

ECONOMIC FACTORS

The Authority is primarily dependent upon HUD for funding operations; therefore, the Authority is affected more by the federal budget than by state or local economic conditions. The Authority's budgets and subsidy funding requests are approved by HUD.

FINANCIAL CONTACT

The individual to be contacted regarding this report, and the reports of the Authority's component units, is the Director of Finance of the Housing Authority of the County of Contra Costa, at (925) 957-8014. Specific requests may be submitted to the Director of Finance, Housing Authority of the County of Contra Costa, P.O. Box 2759, 3133 Estudillo Street, Martinez, CA 94553.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
MARCH 31, 2017

	Primary Government Housing	Component Units
ASSETS		
Current assets		
Cash and investments (Note 2 and 14)	$ 7,565,319	$ 221,146
Due from other agencies	1,886,185	-
Due from related parties - DeAnza (Note 14)	69,684	-
Tenant accounts receivable	203,513	43,255
Allowance for doubtful accounts	(65,616)	(1,720)
Miscellaneous accounts receivable	-	26,957
Allowance for doubtful accounts	-	(7,881)
Interest receivable	18,880	3,700
Notes receivable - short term (Note 4)	5,034	-
Prepaid expenses	165,250	20,115
Total current assets	9,848,249	305,572
Restricted assets:		
Restricted cash (Note 2 and 3 and 14)	1,344,572	1,489,627
Capital assets (Note 5 and 14):		
Land	1,825,993	1,150,712
On site improvements	-	4,028,709
Buildings	98,618,966	29,714,010
Furniture and equipment	2,871,699	532,556
Construction in progress	328,030	-
Accumulated depreciation	(91,740,253)	(12,701,623)
Total capital assets	11,904,435	22,724,364
Other noncurrent assets:		
Long-term notes receivable (Note 4)	376,466	-
Long-term notes receivable - DeAnza (Note 4 and 14)	1,000,000	-
Interest receivable on long-term notes (Note 4)	105,350	-
Due from related parties - DeAnza (Note 14)	2,010,529	-
Other long-term assets	57,672	-
Total other noncurrent assets	3,550,017	-
Total assets	26,647,273	24,519,563
DEFERRED OUTFLOWS OF RESOURCES		
Pension (Note 11)	2,013,425	-

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
MARCH 31, 2017
(Continued)

	Primary Government Housing	Component Units
LIABILITIES		
Current liabilities:		
Accounts payable	$ 926,169	$ 79,826
Due to related parties - Authority (Note 14)	-	14,012
Due to other agencies	347,141	-
Accrued salaries and related costs	235,882	-
Accrued interest (Note 14)	-	45,900
Other accrued liabilities	176,419	-
Payable from restricted assets:		
Tenant security deposits	366,628	167,518
Unearned revenue (Note 8)	270,242	28,631
Current portion of compensated absences (Note 1.I.)	296,934	-
Current portion of long-term debt (Note 6 and 14)	226,851	231,346
Total current liabilities	2,846,266	567,233
Other noncurrent liabilities:		
Long-term debt (Note 6 and 14)	4,769,032	8,046,021
Long-term debt - Authority (Note 14)	-	1,000,000
Long-term portion of compensated absences (Note 1.I.)	125,133	-
Payable from restricted assets:		
Family self sufficiency escrows	417,736	-
Other noncurrent liabilities (Note 9 and 14)	2,344,836	8,378
Due to related parties - Authority (Note 14)	-	2,037,165
Net pension liability (Note 11)	10,162,604	-
Other post employment benefit liability (Note 12)	2,407,765	-
Total noncurrent liabilities	20,227,106	11,091,564
Total liabilities	23,073,372	11,658,797
DEFERRED INFLOWS OF RESOURCES		
	-	-
NET POSITION (Note 10 and 14)		
Net investment in capital assets	5,104,662	14,401,097
Restricted net position	591,228	1,454,263
Unrestricted net position	(108,564)	(2,994,594)
Total net position	$ 5,587,326	$ 12,860,766

The accompanying notes are an integral part of this statement

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2017

	Primary Government Housing	Component Units
Operating revenue:		
Rents and other tenant revenue	$ 4,512,990	$ 2,043,704
Other	1,154,212	130,092
Total operating revenue	5,667,202	2,173,796
Operating expenses:		
Administration	8,704,429	411,605
Tenant services	816,732	-
Utilities	2,059,458	261,803
Maintenance	4,539,045	451,693
General	1,387,597	90,456
Housing assistance payments	92,977,420	-
Depreciation (Note 5 and 14)	1,754,951	1,026,181
Total operating expenses	112,239,632	2,241,738
Operating income (loss)	(106,572,430)	(67,942)
Nonoperating revenue (expenses):		
Grants	105,487,094	-
Restricted interest	2,757	-
Unrestricted interest	32,415	34,463
Mortgage interest	1,620	-
Interest on notes receivable with related party (Note 4 and 14)	30,000	(30,000)
Related party fees (Note 14)	84,960	(84,960)
Debt service - interest (Note 6 and 14)	(217,435)	(567,668)
Net gain before contributions and transfers	(1,151,019)	(716,107)
Capital contributions	1,050,023	-
Change in net position	(100,996)	(716,107)
Net position - beginning of year	5,688,322	13,576,873
Net position - end of year	$ 5,587,326	$ 12,860,766

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2017

	Primary Government Housing
Cash flows from operating activities:	
Tenant receipts	$ 4,333,150
Other receipts	1,230,710
Payroll and benefit expenditures	(9,892,598)
Administration expenditures	(1,205,721)
Tenant services expenditures	(416,658)
Utilities expenditures	(2,060,570)
Maintenance expenditures	(2,647,473)
General expenditures	(729,012)
Housing assistance payment expenditures	(93,032,851)
Net cash used by operating activities	(104,421,023)
Cash flows from noncapital financing activities:	
Operating grants received	103,726,966
Related parties transactions	4,927
Repayment of notes receivable	9,302
Notes receivable issued	(760)
Net cash provided by noncapital financing activities	103,740,435
Cash flows from capital financing activities:	
Grants received to acquire capital assets	1,050,023
Acquisition of capital assets	(1,225,482)
Principal paid on debt	(296,691)
Interest paid on debt	(135,504)
Net cash used by capital financing activities	(607,654)
Cash flows from investing activities:	
Interest receipts	32,217
Interest on restricted cash	2,757
Net cash provided by investing activities	34,974
Net increase to cash	(1,253,268)
Cash at beginning of year	10,163,159
Cash at end of year	$ 8,909,891
Cash and investments	$ 7,565,319
Restricted cash	1,344,572
Total cash at year end	$ 8,909,891

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2017

(Continued)

	Primary Government Housing
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	$ (106,572,430)
Adjustments to reconcile operating loss to	
Net cash used by operating activities:	
Depreciation expense	1,754,951
(Increase) Decrease in:	
A/R other governments	9,697
Tenants accounts receivable	(29,427)
Prepaid expenses	44,238
Other long-term assets	7,609
Deferred outflows of resources	152,281
Increase (Decrease) in:	
Accounts payable	543,508
Due to other agencies	(12,865)
Tenant security deposits	287
Accrued salaries and related costs	21,161
Unearned revenues	64,904
FSS escrows	150,405
Compensated absences	57,819
Noncurrent liabilities	-
Post retirement benefits	12,626
Net pension liability	(625,787)
Net cash used by operating activities	$ (104,421,023)

Noncash transactions:

- Interest of $78,787 was accrued as payable to RHCP. The payments on this loan are deferred, unless the project generates surplus cash.
- Interest of $30,000 was accrued as receivable from DeAnza Gardens L.P. No payments were received with regards to this loan.
- Lease fees of $72,000 were accrued as receivable from DeAnza Gardens L.P. These fees are deferred.
- Interest on the Rental Rehabilitation loans of $1,620 was accrued as revenue, while none was received. The interest on these loans is due at maturity.

The accompanying notes are an integral part of this statement.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of The Housing Authority of the County of Contra Costa (the Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Authority's more significant accounting policies:

A. <u>Organization</u>

The Authority was established pursuant to the State Health and Safety Code in 1941. The Authority is a public entity organized under the laws of the State of California's Health and Safety Code to provide housing assistance to low and moderate income families at rents they can afford. Eligibility is determined by family composition and income in areas served by the Authority. To accomplish this purpose, the Authority has entered into Annual Contributions Contracts with the U.S. Department of Housing and Urban Development (HUD) to operate assisted housing programs.

The governing board of the Authority is the County Board of Supervisors. The Authority is a legally separate entity from the County, maintaining separate accounting records, staff, and administration facilities. In addition, there is no financial benefit/burden relationship between the County and the Authority and the County has limited or no opportunity to impose its will upon the Authority because the Authority is governed by rules and regulations imposed by the Federal government through the U.S. Department of Housing and Urban Development. The County defines the Authority as a discretely presented component unit in its Comprehensive Annual Financial Report (CAFR). A copy of this report may be obtained by contacting the Office of the Auditor-Controller, 625 Court Street, Martinez, California 94553 or by visiting http://co.contra-costa.ca.us/.

B. <u>Financial Reporting Entity</u>

The Authority's combined financial statements include the accounts of all the Authority's operations. The criteria used in determining the scope of the financial reporting entity is based on provisions of Governmental Accounting Standards No. 61, *The Financial Reporting Entity*. The financial statements of the Authority include the financial activity of the Authority and any component units. The decision to include a potential component unit in the reporting entity was made based on the significance of their operational or financial nature and significance of their relationship with the Authority, including consideration of organizations for which the nature and significance of their relationship with the Authority are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based on the aforementioned criteria, the Authority has blended

Note 1 (continued)

and discretely presented component units. The blended component units, although legally separate entities, are, in substance, part of the Authority's operations. Discretely presented component units are reported in a separate column in the fund financial statements to emphasize that they are legally separate from the government. The component units are as follows:

Blended Component Units. HACCC Casa Del Rio, Inc (A California Nonprofit Public Benefit Corporation) and CDR Senior Housing Associates (A California Limited Partnership) . HACCC Casa Del Rio, Inc. is the general partner of CDR Senior Housing Associates. The officers and Board members of HACCC Casa Del Rio, Inc. are employees of the Authority. The partnership was formed in 1994 to develop and operate an 82-unit affordable housing rental complex located in Antioch, California, which is currently known as Casa Del Rio Senior Housing.

Casa Del Rio Senior Housing was placed into service in 1995. Pursuant to the Indemnification Agreement dated July 1, 1994, by and among the Authority, HACCC Casa Del Rio, Inc., CDR Senior Housing Associates, and MHIFED I Limited Partnership, the Authority could possibly be liable for unpaid taxes, interest and penalties, cost to contest, operating deficiency and expenses of enforcement as identified in the Agreement and for a sponsor's operating guaranty to provide sufficient staff or equipment to the general partner, as needed and remedies against sponsor for default under the Amended HCD Agreement. Casa Del Rio Senior Housing participates in the low-income housing tax credit program under Section 42 of the Internal Revenue Code. Various agreements dictate the maximum income levels of new tenants and also provide rent restrictions through 2054.

Since HACCC Casa Del Rio, Inc and CDR Senior Housing Associates have the potential to impose a financial burden on the Authority, these entities have been included in the Authority's financial statements as blended component units. See also Note 14.

Discretely Presented Component Units. DeAnza Housing Corporation (A California Nonprofit Public Benefit Corporation) and DeAnza Gardens, L.P. (A California Limited Partnership). The Authority is the General Partner and DeAnza Housing Corporation is the managing general partner of DeAnza Gardens, L.P. The partnership was formed for the purpose of acquisition, ownership, maintenance, and operation of 180 multi-family rental housing units and the provision of low-income housing through the construction, renovation, rehabilitation, operation, and leasing of an affordable housing development located in Contra Costa County, which is currently known as DeAnza Gardens.

DeAnza Gardens was placed into service during 2005. It was built on land owned by and leased from the Authority. Under the terms of the lease, title to the improvements revert to

Note 1 (continued)

the Authority at the end of the 75-year lease. Financing for construction was obtained through notes from the Authority, Bank of America, and DeAnza Housing Corporation. DeAnza Gardens participates in the low-income housing tax credit program under Section 42 of the Internal Revenue Code. Various agreements dictate the maximum income levels of new tenants and also provide rent restrictions through 2078.

Since DeAnza Housing Corporation and DeAnza Gardens L.P. are other organizations for which the nature and significance of their relationship with the Authority are such that exclusion from the financial statements would cause the Authority's financial statements to be misleading or incomplete, these entities have been included in the Authority's financial statements as discretely presented component units. See also Note 14.

Complete audited financial statements are issued separately for each of the individual component units listed above and may be obtained from the Housing Authority of the County of Contra Costa, 3133 Estudillo Street, P.O. Box 2759, Martinez, California 94553.

C. Basis of Presentation

Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Authority's activities are strictly business-type. The Authority has no fiduciary funds.

Fund Financial Statements:

Fund financial statements of the Authority are organized into funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for within a separate set of self balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenses/expenditures as appropriate. Government resources are allocated to, and accounted for, in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. A fund is considered major if it is the primary operating fund of the Authority or if total assets, liabilities, revenue, or expenses/expenditures of the individual fund are at least 10 percent of the Authority-wide total. The Authority considers all of its activity to be housing related and therefore, considers all the financial activity of the Authority to be one major fund, titled *Housing*. As such, the Authority has no non-major funds.

PROPRIETARY FUND TYPES

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of

Note 1 (continued)

providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are also used when the governing body has decided that periodic determination of revenue earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Authority's funds are operated as enterprise funds.

D. Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Proprietary Fund Types are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recorded at the time liabilities are incurred. Under this basis of accounting and measurement focus, the Authority applies all GASB pronouncements.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses result from providing goods and services related to the fund's ongoing operations. The principal operating revenue of the Authority's enterprise funds is dwelling rental income. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. The principal operating expenses of the Authority's enterprise funds are employee salaries and benefits, housing assistance payments, utilities, and the costs to maintain the owned units. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When the Authority incurs an expense for which both restricted and unrestricted resources may be used, it is the Authority's policy to use restricted resources first and then unrestricted resources as needed.

E. Interfund Transactions

Statement of Net Position:

Short-term amounts due between funds are classified as "Due from/to other funds". As of March 31, 2017, the amounts due between the various proprietary funds totaled $770,676.

Operating advances made to the blended component units, HACCC Casa Del Rio, Inc and CDR Senior Housing Associates totaled $468,522 as of March 31, 2017. The interfund

(Continued)

Note 1 (continued)

balance as of December 31, 2016, was $440,311 and was reported as non-current related party payable by the other auditors. The Statement of Net Position - Proprietary Funds, reported as of March 31, 2017, shows $440,311 as both a noncurrent asset and as a noncurrent liability. The difference of $28,211, due to the timing differences in fiscal year end, is shown as "other" noncurrent assets (see also Note 14).

A long-term note due from the Management Enterprise Fund to the blended component unit, HACCC Casa Del Rio, Inc in the amount of $185,000 is reported as long-term notes receivable and long-term debt. See also Notes 4 and 6.

These interfund assets and liabilities have been eliminated from the Statement of Net Position - Proprietary Funds. For further detail, please see the Financial Data Schedule found in the Supplementary Information section of this report.

Statement of Revenues, Expenses, and Changes in Fund Net Position:

Participants of the Housing Choice Voucher Program have decided to occupy units owned by the Authority's blended component unit. Housing assistance payments made by the Housing Choice Voucher and Shelter Plus Care Programs to Casa Del Rio Senior Housing (CDR) totaled $16,338 for the fiscal year ended March 31, 2017. CDR also paid the Authority $52,452 during the current fiscal year for management fees.

The Authority utilizes a Central Office Enterprise Fund to account for administrative costs that are not charged to its Public Housing, Housing Choice Voucher, and Shelter Plus Care Program Enterprise Funds. The Housing Choice Voucher Enterprise Fund paid management fees and bookkeeping fees in the amount of $1,312,826 and $561,225, respectively. The Public Housing Enterprise Fund paid property management, bookkeeping, and asset management fees in the amount of $833,359, $91,699, and $114,120, respectively. The Shelter Plus Care Enterprise Fund was allocated costs of $44,705 in lieu of fees. These costs, totaling $2,957,934, are reported as total fee revenue in the Central Office Enterprise Fund and administrative expenses of the Public Housing, Housing Choice Voucher, and Shelter Plus Care Enterprise Funds.

Beginning in the prior fiscal year, the Authority created a fund to account for the pension transactions required by GASB Statement No. 68 "Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No.27". Actual payments made to the Authority's pension plan administrator, the Contra Costa County Employees' Retirement Association (CCCERA), have been expensed to the Authority's programs based on payroll allocations effective at the time of payment. The newly established enterprise fund, accounted for within the State and Local Enterprise Fund, holds the deferred outflows of

Note 1 (continued)

resources generated when the payments are made. The GASB 68 required accounts are adjusted annually at each actuarial measurement date. During the current fiscal year, $2,353,218 of payments to CCCERA were recorded as expenditures of the Authority's various programs and as revenue of the State and Local Enterprise Fund. The Authority intends to establish this same procedure next fiscal year to implement GASB 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB reporting for employers)".

The Authority is required by HUD to pay HAP on behalf of other authorities with Housing Choice Voucher Program participants residing within Contra Costa County. The Authority is reimbursed for this HAP from the initiating housing authority. HUD requires this HAP to be reported as an expense when paid to the landlord and as income when reimbursed from the initiating housing authority. For the current fiscal year, the Authority paid $894,349 in HAP on behalf of other housing authorities. This amount is therefore reported as revenue and expense of the Housing Choice Voucher Enterprise Fund.

CDR Inc earns interest of $13,912 on its loan with the Authority of $185,000. CDR Inc has agreed to give the interest back to the Authority as a charitable contribution. This interest revenue and expense were eliminated within the blended component unit enterprise fund.

Interfund transfers of $907,940 were made between the Authority's funds this fiscal year. Interfund transfers of $668,197 were made within the Public Housing enterprise Fund. This represents the use of Capital Fund grants for Public Housing operating costs. Interfund transfers of $198,826 were made from the Housing Choice Voucher Enterprise Fund to the Family Self Sufficiency Enterprise Fund ($191,598) and the Shelter Plus Care Enterprise Fund ($7,288) to assist in program funding short falls. Interfund transfers of $40,389 were made from the Section 8 Moderate Rehabilitation Enterprise Fund to the Housing Choice Vouchers Enterprise Fund to cover prior year funding short falls. The Rental Rehabilitation Enterprise Fund transferred $528 to the CDBG Rental Rehabilitation Enterprise Fund to cover operating costs.

Interfund revenues and expenses of $5,379,942 have been eliminated from the Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds. This amount includes the interfund HAP, management fees, bookkeeping fees, asset management fees, and pension plan payments. The transfers net to zero and are not reported on the Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds. For further detail, please see the Financial Data Schedule found in the Supplementary Information section of this report.

Note 1 (continued)

F. Cash and Investments

Cash includes amounts in demand deposits and saving accounts. Investments are reported in the accompanying statement at market value. All of the Authority's investments can be converted to cash in a relatively short amount of time. Therefore, all cash and investments are used in the Statement of Cash Flows.

Changes in fair value that occur during a fiscal year are recognized as *interest income* reported for that fiscal year. *Interest income* includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The Authority pools cash and investments of all programs. Each program's share in this pool is displayed in the accompanying Financial Data Schedule as *cash and investments*. Interest income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

G. Accounts Receivable

Receivables are principally amounts due from HUD and tenants. Allowance for doubtful accounts has been provided based on the likelihood of the recovery.

H. Capital Assets

Capital assets, which include property, plant and equipment, acquired for Proprietary Funds are capitalized in the respective funds to which they apply. The Authority has an established capitalization policy, which requires all acquisitions of property and equipment in excess of $5,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets to be capitalized. Property and equipment are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Interest expense incurred during the development period is capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of exhaustible capital assets used by Proprietary Funds is charged as an expense against operations, and accumulated depreciation is reported on the Statement of Net Position. Capital assets are being depreciated using the straight-line basis over the useful lives of the assets. The useful lives are generally 27.5 years for buildings, 10 years for modernization, 5 years for vehicles, furniture and equipment, and 3 years for computer equipment. Salvage value on all depreciable equipment is assumed to be insignificant and therefore valued at $0.

Note 1 (continued)

I. Compensated Absences

It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the Authority. All vacation pay is accrued when incurred and allocated to the appropriate proprietary fund. Total liability for the Authority is $422,067 based on year-end hourly rates. Of this amount $296,934 is considered by the Authority to be a current liability.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until that time. The Authority's deferred outflows of resources consist of (1) items associated with, and referred to in, the actuarial report of the defined benefit pension plan, and (2) payments made on behalf of employees to the defined benefit pension plan after the measurement date of the actuarial report. See also Note 11.

In addition to liabilities, the Statement of Financial Position will sometimes include a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority's deferred inflows of resources consist of items associated with, and referred to in, the actuarial report of the defined benefit pension plan. See also Note 11.

It is the Authority's practice to report deferred outflows and inflows of resources in the aggregate on the Statement of Net Position.

K. Net Position

Net position represents the differences between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position consists of net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowing used for acquisition, construction, or improvement of those assets (excluding interfund borrowing and including accrued interest). Net position is reported as restricted when there are limitations imposed on its use through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Note 1 (continued)

L. Income Taxes

The Authority is exempt from federal and state income taxes. The Authority is also exempt from property taxes but makes payments in lieu of taxes on owned housing.

M. Budgets and Budgetary Accounting

The Board of Commissioners adopts an operating budget effective April 1 annually. This budget may be revised by the Board of Commissioners during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption.

N. Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources; the disclosure of contingent assets and liabilities; and the reported revenues and expenses. Actual results could differ from those estimates.

O. Encumbrances

Encumbrance accounting is not employed by the Authority.

P. Grant Restrictions

The Authority has received loans and grants from the U.S. Department of Housing and Urban Development. The grants require that only individuals and families that meet various income, age and employment standards be housed or aided.

Q. Cost Allocation Procedures

Cost allocation procedures are divided into one of the following three methods, 1) Direct Costs, 2) Indirect Costs, 3) Fee for Service.

Direct Allocation Method: this method is used when the cost being incurred directly benefits a specific "program, region, development, project or site". Allocation at the regional, development, project or site level shall be allocated by using the ratio of number of bedrooms managed (zero bedroom units will count as 1). Allocation at the Program level will be based on a common factor within the program area, such as units within a grant, grant award amounts, or other reasonable factors where allowed.

Indirect Allocation Method: this method is used when the cost being incurred is for a common or joint objective and therefore does not directly benefit a specific "program, region,

Note 1 (continued)

development, project or site". These costs will be allocated using a rationale from direct salary allocation plan consistent with Uniform Guidance. The direct salary allocation plan will be established annually as a part of the annual budget process.

Fee for Service Method: this method is used when an employee performs work outside of their budgeted allocation. The fee for service method will reduce the allocations of salary and benefits from the program that the position was originally budgeted for. This method should be documented on a time reporting process, either by way of time card or activity log or both.

R. Loan Costs

The Authority has implemented GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities.* The Statement requires that debt issuance costs be reported as expenses when incurred since they no longer meet the definition of an asset. The component units are nonprofit public benefit corporations and limited partnerships and they follow the guidance of the Financial Accounting Standards Board for their financial reporting. Certain recognition criteria and presentation features are different from GASB. For instance, prior to January 1, 2016, these entities reported debt issuance costs as an asset amortized over time. During 2016, these entities adopted new accounting guidance required by accounting principles generally accepted in the United State of America and changed its method of accounting for debt issuance costs and related amortization of such costs. The net of these costs are now reported as a direct reduction of notes payable. No modifications have been made to the audited financial information as presented. The unamortized value of the loan costs does not have a material effect on the Authority's net position. Net loan costs of $24,820 have been netted with long-term debt of the primary government, for the blended component units, while $68,111 have been netted with long-term debt of the component units, for the discretely presented component units.

S. Pension Plan

The Authority participates in a cost-sharing multi-employer defined benefit retirement plan that is administered by the Contra Costa County Employees' Retirement Association (CCCERA). Contributions to CCCERA are made on a current basis as required by the plan and are charged to expenditures. The Authority used actuarial reports supplied by CCCERA for the purpose of measuring the net pension liability, deferred outflows and inflows of resources related to the pension plan. The valuation date of the latest actuarial report was December 31, 2016.

(Continued)

Note 1 (continued)

T. New Accounting Pronouncements

During the current fiscal year, the Authority implemented GASB Statement No 72, *Fair Value Measurement and Application* and GASB Statement No 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. These new accounting pronouncements did not have a material effect on the Authority's financial statements.

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This statement will have a similar requirement for OPEB as the GASB Statement No. 68 had for pension plans. Beginning in 2018, government agencies will be required to record OPEB liability in a fashion similar to the recognition of the net pension liability required of GASB Statement No. 68. GASB Statement No. 75 replaces GASB Statement No. 45. Management anticipates that the full implementation of this Statement will have a material impact on the financial statements beginning with the fiscal year ended March 31, 2018.

Note 2 - CASH AND INVESTMENT

Cash and investments as of March 31, 2017 are classified in the accompanying financial statement as follows:

Statement of net position:	
Cash and investments	$ 7,565,319
Restricted cash	1,344,572
Total Cash & Investments	$ 8,909,891
Demand deposits	$ 2,569,304
Investments	5,747,409
Cash held by other agencies	591,228
Cash on hand	1,950
Total Cash & Investments	$ 8,909,891

Investments Authorized by the Authority's Investment Policy

Investments authorized by the Authority are empowered by the HUD Notice 99-48 and its own investment policy to invest HUD funds in the following:

- United States Treasury Bills, Notes and Bonds;
- Obligations issued by Agencies or Instrumentalities of the U.S. Government;
- State or Municipal Depository Funds, such as the Local Agency Investment Fund (LAIF) or pooled cash investment funds managed by County treasurers;
- Insured Demand and Savings Deposits, provided that deposits in excess of the insured amounts must be 100% collateralized by federal securities;

(Continued)

Note 2 (continued)

- Insured Money Market Deposit Accounts;
- Insured SUPER NOW accounts, provided that deposits in excess of the insured amount must be 100% collateralized by federal securities;
- Negotiable Certificates of Deposit issued by federally or state chartered banks or associations, limited to no more than 30% of surplus funds;
- Repurchase/Reverse Repurchase Agreements of any securities authorized by this section; securities purchased under purchase agreements shall be no less than 102% of market value;
- Sweep Accounts that are 100% collateralized by federal securities;
- Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by this Section (Money Market Mutual Funds); Funds must carry the highest rating of at least two national rating agencies and are limited to not more than 20% of surplus funds;
- Funds held under the terms of a Trust Indenture or other contract or agreement including the HUD/PHA Annual Contributions Contract, may be invested according to the provisions of those indentures or contracts; and
- Any other investment security authorized under the provisions of HUD Notice PIH 97-41.

The Authority is empowered by the California Government Code (CGC) Sections 5922 and 53601 et seq and its own investment policy to invest non-HUD funds in the following:

- Bonds issued by the local entity with a maximum maturity of five years;
- United States Treasury Bills, Notes and Bonds;
- Registered state warrants or treasury notes or bonds issued by the State of California;
- Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurer, other local agencies or Joint Powers Agencies;
- Obligations issued by Agencies or Instrumentalities of the U.S. Government;
- Bankers Acceptances with a term not to exceed 270 days, limited to 40% of surplus funds; no more than 30% of surplus funds can be invested in Bankers Acceptances of any single commercial bank;
- Prime Commercial Paper with a term not to exceed 180 days and the highest ranking issued by Moody’s Investors Service or Standard & Poor’s Corp., limited to 15% of surplus funds; provided that if the average total maturity of all commercial papers does not exceed 31 days up to 30% of surplus funds can be invested in commercial papers.
- Negotiable Certificates of Deposit issued by federally or state chartered banks or associations, limited to not more than 30% of surplus funds;
- Repurchase/Reverse Repurchase Agreements of any securities authorized by this Section, securities purchased under these agreements shall be no less than 102% of market value. Securities purchased under reverse repurchase agreements shall be for temporary and unanticipated cash flow needs only.
- Medium term notes (not to exceed two years) of U.S. corporations rated “AAA” or better by Moody’s or Standard & Poor’s limited to not more than 30% of surplus funds;

Note 2 (continued)

- Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by this Section (Money Market Mutual Funds), limited to not more than 15% of surplus funds;
- Funds held under the terms of a Trust Indenture or other contract or agreement may be invested according to the provisions of those indentures or agreements;
- Collateralized bank deposits with a perfected security interest in accordance with the Uniform Commercial Code (UCC) or applicable federal security regulations;
- Any mortgage pass-through security, collateralized mortgage obligation, mortgaged backed or other pay-through bond, equipment least-backed certificate, consumer receivable pass-through certificate or consumer receivable backed bond of a maximum maturity of five years, securities in this category must be rated AA or better by a national rating service and are limited to not more than 30% of surplus funds;
- Any other investment security authorized under the provisions of California Government Code Sections 5922 and 53601.

Disclosure Related to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market rates. See the table shown later in this note titled "Investment Disclosure" for the maturity dates for each of the Authority's investments.

Disclosures related to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. See the table shown later in this note titled "Investment Disclosure" for the ratings assigned to the issuer for each of the Authority's investments.

Concentration of Credit Risk

See the table shown later in this note titled "Investment Disclosure" to determine how the Authority's investments are concentrated. These investments are owned by the following programs:

Public Housing Program	$	2,022,190	35.19%
Housing Choice Voucher Program		1,532,522	26.66%
Other State and Local Programs		1,548,065	26.94%
Central Office Cost Center		380,711	6.62%
Rental Rehabilitation Loan Program		150,861	2.62%
Casa Del Rio (blended component unit)		113,060	1.97%
Total investments	$	5,747,409	

Note 2 (continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires California banks and savings and loan associations to secure the Authority's deposits not covered by federal deposit insurance by pledging mortgages or government securities as collateral. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Such collateral must be held in the pledging bank's trust department in a separate depository in an account for the Authority.

The custodial risk for investments is the risk that, in the event of the failure of the counterparty (broker-dealer, etc) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

The Authority has executed a "General Depository Agreement" with WestAmerica Bank dated October 24, 2005. This agreement states that "any portion of PHA funds not insured by a Federal insurance organization shall be fully (100%) and continuously collateralized with specific and identifiable U.S. Government or Agency securities prescribed by HUD."

The Authority's exposure to custodial credit risk is as follows:

Demand deposits with banks, fully insured by FDIC	$ 250,000
Demand deposits with banks covered by depository agreements	2,292,826
Cash held by investment companies	26,478
Deposits held by CHFA	591,228
Total demand deposits and cash held by other agencies	$ 3,160,532

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
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(Continued)

Note 2 (continued)

See the table below for information regarding the investments.

Investment Disclosure - March 31, 2017

Investment Type	Issuer	Book Value	Market Value	Maturity	Rate
Government Security	LAIF	$ 591,940	$ 591,452	N/A	
	Interest on LAIF	1,972	1,972	N/A	
Certif. Of Deposit	Goldman Sachs Bank	149,000	150,861	7/8/2020	297
Certif. Of Deposit	Capital One Bank	247,000	250,068	7/22/2020	300
Certif. Of Deposit	Everbank	247,000	248,470	7/30/2020	214
Certif. Of Deposit	CIT Bank	105,000	106,469	7/30/2020	238
Certif. Of Deposit	CIT Bank	110,000	111,539	7/30/2020	238
Certif. Of Deposit	Worlds Foremost Bank	100,000	101,552	8/20/2020	242
Certif. Of Deposit	Discover Bank	135,000	137,311	8/26/2020	300
Certif. Of Deposit	American Express Cent	175,000	176,986	11/25/2020	300
Certif. Of Deposit	Sallie Mae Bank	100,000	101,124	12/9/2020	300
Certif. Of Deposit	Sallie Mae Bank	100,000	101,124	12/9/2020	300
Certif. Of Deposit	Celtic Bank, UT	100,000	99,495	12/24/2020	300
Certif. Of Deposit	Goldman Sachs Bank	100,000	101,309	1/6/2021	295
Certif. Of Deposit	Community Capital Bank	100,000	101,646	1/19/2021	300
Certif. Of Deposit	Community Capital Bank	100,000	100,297	2/22/2021	300
Certif. Of Deposit	BMW Bank of No. America	97,000	97,096	2/22/2021	300
Certif. Of Deposit	BMW Bank of No. America	150,000	150,149	2/26/2021	300
Certif. Of Deposit	Private Bank & Trust	125,000	123,059	5/26/2021	300
Certif. Of Deposit	HSBC Bank USA	100,000	98,394	6/10/2021	197
Certif. Of Deposit	Wells Fargo Bank	100,000	98,356	6/17/2021	294
Certif. Of Deposit	JP Morgan Chase	100,000	97,506	8/16/2021	300
Certif. Of Deposit	Wells Fargo Bank	145,000	141,295	8/17/2021	294
Certif. Of Deposit	Sychrony Bank	122,000	118,442	10/21/2017	300
Certif. Of Deposit	State Bank of India	115,000	111,650	10/27/2021	150
Certif. Of Deposit	Bank of Baroda	150,000	148,031	11/23/2021	150
Certif. Of Deposit	Capital One Bank	120,000	119,214	11/23/2021	300
Certif. Of Deposit	Capital One Bank	100,000	99,345	11/23/2021	300
Certif. Of Deposit	Discover Bank	105,000	105,274	1/11/2022	300
Certif. Of Deposit	Sychrony Bank	100,000	100,321	2/24/2022	300
Certif. Of Deposit	HSBC Bank USA	100,000	100,934	3/21/2011	197
Gov't Agency	Fannie Mae	150,000	150,276	1/21/2020	AAA
Gov't Agency	Federal Home Loan Mtg Corp	125,000	124,010	5/1/2020	AAA
Gov't Agency	Federal Home Loan Mtg Corp	210,000	210,837	12/11/2020	AAA
Gov't Agency	Fannie Mac	100,000	99,959	1/7/2021	AAA
Gov't Agency	Federal Home Loan Mtg Corp	510,000	492,476	8/12/2021	AAA
Gov't Agency	Fannie Mae	155,000	150,552	8/17/2021	AAA
Gov't Agency	Federal Home Loan Mtg Corp	110,000	110,129	12/11/2020	AAA
Gov't Agency	Federal Farm Credit Bank	105,000	104,881	2/3/2022	AAA
Certif. Of Deposit	Goldman Sachs Bank	110,505	113,060	6/16/2021	295
Total Investments		$ 5,766,417	5,746,921		
Investments reported above market value			488		
Total Investments reported			$ 5,747,409		

(Continued)

Note 2 (continued)

The Authority categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The hierarchy for the Authority's investments are considered Level 2, except for the LAIF investments which are not subject to fair value hierarchy.

The Authority is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The LAIF is a special fund of the California State Treasury through which local governments may pool investments. Each government agency may invest up to $30,000,000 in each account in the fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest or principal. The full faith and credit of the State of California secure investments in LAIF.

At March 31, 2017, an account was maintained in the name of the Housing Authority of the County of Contra Costa for $591,940. The total cost value of investment in LAIF was $591,940. The total fair value of investments in LAIF was $591,452. The fair value total includes an unrealized loss on investments of $488. The unrealized loss was based on a fair value adjustment factor of 0.999175951 that was calculated by the State of California Treasurer's Office. The unrealized loss was not recorded by the Authority and is considered immaterial. Of the $591,940 invested in LAIF, $593,912 is recorded as assets of the Authority. The difference includes $1,972 of interest receivable from LAIF as of March 31, 2017, shown by the Authority as investments.

LAIF is a part of the State of California Pooled Money Investment Account (PMIA). At March 31, 2017, the fair value of the State of California Pooled Money Investment Account (PMIA), including accrued interest, was $71,933,590,418. The PMIA portfolio had securities in the form of structured notes totaling $350 million and asset-backed securities totaling $1,260,286,000. The PMIA has policies, goals and objectives for the portfolio to make certain that the goals of safety, liquidity, and yield are not jeopardized. These policies are formulated by investment staff and reviewed by both the PMIA and LAIF Advisory Boards on an annual basis. LAIF's and the Authority's exposure to credit, market, or legal risk is not available.

During 2002, California Government code was added to the LAIF's enabling legislation stating that "the right of a city, county...special district...to withdraw its deposited money from the LAIF upon demand may not be altered, impaired, or denied in any way by any state official or state agency based upon the State's failure to adopt a State Budget by July 1 of each new fiscal year." In addition, it has been determined that the State of California cannot declare bankruptcy under Federal regulations. This allows other government code stating that "money placed with the State Treasurer for deposit in the LAIF shall not be subject to ...transfer or loan...or impound or seizure by any state official or state agency" to stand.

(Continued)

Note 3 - RESTRICTED CASH

Restricted cash consists of funds for replacement and operating reserves required by the lender and funds being held by the Authority on behalf of its clients. The balances are as follows:

Tenant security deposits - Public Housing	$ 324,735
Family Self Sufficiency Program participant's escrow funds	417,736
Blended component unit - Casa Del Rio:	
Funds held by CHFA:	
Replacement reserve	341,290
Operating reserve	229,608
Hazard and earthquake insurance impounds	20,330
Tenant security deposits	10,873
Total restricted cash	$ 1,344,572

The funds held by the California Housing Finance Agency (CHFA) can only be used for major repairs or insurance, upon receipt of prior written approval from CHFA. These amounts are also reported as restricted net position (see also Note 10).

The amounts held by the Authorities for program participants of the FSS program and for tenant security deposits are reported as payable from restricted assets.

Please see the prior note to determine interest rates and credit risks for the above restricted cash.

Note 4 - NOTES RECEIVABLE

A schedule of changes in notes receivable is as follows:

	Balance 3/31/16	Loans Issued	Loans Repaid	Balance 3/31/17	Long-term Portion	Short-term Portion
CDBG Loan Program	$ 322,436	$ -	$ -	$ 322,436	$ 322,436	$ -
Rental Rehab. Program	54,030	-	-	54,030	54,030	-
Employee computer loans	13,576	760	(9,302)	5,034	-	5,034
DeAnza Gardens LP	1,000,000	-	-	1,000,000	1,000,000	-
	1,390,042	760	(9,302)	1,381,500	1,376,466	5,034
Interfund:						
CDR from mgmt fund	185,000	-	-	185,000	185,000	-
Totals	$ 1,575,042	$ 760	$ (9,302)	$ 1,566,500	$ 1,561,466	$ 5,034

Interest on these loans is a follows:

	Balance 3/31/16	Interest Accrued	Interest Repaid	Balance 3/31/17	Long-term Portion	Short-term Portion
CDBG Loan Program	$ 80,325	$ 9,254	$ -	$ 89,579	$ 89,579	$ -
Rental Rehab. Program	14,151	1,620	-	15,771	15,771	-
DeAnza Gardens LP	450,107	30,000	-	480,107	480,107	-
Totals	$ 544,583	$ 40,874	$	$ 585,457	$ 585,457	$ -

Note 4 (continued)

The Authority has made deferred payment loans to individuals and organizations under the County's Community Development Block Grant (CDBG) and Rental Rehabilitation (RR) Programs. These loans are secured by deeds of trust in the name of the County of Contra Costa or the City of Antioch. These programs are revolving loan programs administered by the Authority. Any repayments of outstanding loans, or interest on the loans, must be used for new loans or program administration as authorized by the County or the City of Antioch. These loans typically earn 3% interest per annum. These notes receivable, along with all of the accrued interest, are offset by an equal amount shown in other noncurrent liabilities (See Note 9).

The Authority administers an employee loan program whereby employees can borrow funds for the purpose of purchasing a computer to be used at home. These loans accrue no interest. Payments are made through the payroll system.

Pursuant to a demand note dated June 30, 1994, the Authority may be liable to HACCC Casa Del Rio, Inc for $185,000. Although the note is due upon demand, the maturity date is December 31, 2059. The note will be called prior to maturity only in the event that there are operating deficits and there is insufficient cash available to cover expenses.

The Authority has also issued a note to the DeAnza Gardens, L.P., which is a discretely presented component unit of the Authority (see Note 1.B.). The note bears simple interest at the rate 3% per annum, payments are due commencing on October 1, 2005, but are payable only to the extent of the previous years' excess/distributable cash, and is due June 2043. No payments, of interest or principal, have been received on this loan.

Not shown on the previous schedule, the DeAnza Housing Corporation issued a note in the amount of $1,000,000 bearing simple interest at 6.8%, to be paid in full June 2043. This second note is an intra-fund transaction. DeAnza Gardens L.P. owes the DeAnza Housing Corporation. This loan has been eliminated from the discretely presented component unit column of the Statement of Net Position. Since this loan does not effect the Authority, it is not shown in the table on the prior page.

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(Continued)

Note 5 - CAPITAL ASSETS

Capital asset activity for the year ending March 31, 2017.

	March 31, 2016	Additions	Transfers	Deletions	March 31, 2017
Capital assets, not being depreciated:					
Land	$ 1,825,993	$ -	$ -	$ -	$ 1,825,993
Construction in progress	204,707	881,902	(758,579)	-	328,030
Total	2,030,700	881,902	(758,579)	-	2,154,023
Capital assets depreciated:					
Buildings and improvements	97,860,387	-	758,579	-	98,618,966
Equipment	2,621,168	343,580	-	(93,049)	2,871,699
Total capital assets being depreciated	100,481,555	343,580	758,579	(93,049)	101,490,665
Total capital assets	102,512,255	1,225,482	-	(93,049)	103,644,688
Accumulated depreciation:					
Buildings and improvements	(87,655,376)	(1,598,850)	-	-	(89,254,226)
Equipment	(2,422,975)	(156,101)	-	93,049	(2,486,027)
Total accumulated depreciation	(90,078,351)	(1,754,951)	-	93,049	(91,740,253)
Total capital assets depreciated, net	10,403,204	(1,411,371)	758,579	-	9,750,412
Total capital assets, net	$ 12,433,904	$ (529,469)	$ -	$ -	$ 11,904,435

The changes by project are as follows:

	March 31, 2016	Additions	Transfers	Deletions	March 31, 2017
TOTAL CAPITAL ASSETS:					
Public Housing	$ 90,785,573	$ 1,061,449	$ -	$ (16,826)	$ 91,830,196
Housing Choice Voucher	4,199,364	164,033	-	(35,522)	4,327,875
Section 8 Moderate Rehab	168,778	-	-	(40,701)	128,077
CDBG Loan	3,937	-	-	-	3,937
Management Fund	75,115	-	-	-	75,115
Central Office Cost Center	170,999	-	-	-	170,999
Blended Component Units:					
Casa Del Rio	7,108,489	-	-	-	7,108,489
Total capital assets	102,512,255	1,225,482	-	(93,049)	103,644,688

(Continued)

Note 5 (continued)

	March 31, 2016	Additions	Transfers	Deletions	March 31, 2017
DEPRECIATION:					
Public Housing	(83,992,203)	(1,391,337)	-	16,826	(85,366,714)
Housing Choice Voucher	(1,868,226)	(177,332)	-	35,522	(2,010,036)
Section 8 Moderate Rehab	(168,778)	-	-	40,701	(128,077)
CDBG Loan	(3,929)	(8)	-	-	(3,937)
Management Fund	(75,114)	-	-	-	(75,114)
Central Office Cost Center	(148,497)	(7,166)	-	-	(155,663)
Blended Component Units:					
Casa Del Rio	(3,821,604)	(179,108)	-	-	(4,000,712)
Total depreciation	(90,078,351)	(1,754,951)	-	93,049	(91,740,253)
Net	$ 12,433,904	$ (529,469)	$ -	$ -	$ 11,904,435

Note 6 - LONG TERM DEBT

The following is a schedule of the changes in long-term debt for the current fiscal year:

	Balance 3/31/2016	Loans Issued	Payments	Balance 3/31/2017	Short-term Portion	Long-term Portion	Interest Payable
Energy equipment lease	$ 81,478	$ -	$ (81,478)	$ -	$ -	$ -	$ -
Office building mortgage	2,274,875	-	(188,526)	2,086,349	198,008	1,888,341	-
Blended component units:							
Casa Del Rio:							
CHFA	334,423	-	(26,687)	307,736	28,843	278,893	-
RHCP	2,626,618	-	-	2,626,618	-	2,626,618	1,803,890
	5,317,394	-	(296,691)	5,020,703	226,851	4,793,852	1,803,890
Loan costs				(24,820)		(24,820)	
Totals	$ 5,317,394	$ -	$ (296,691)	$ 4,995,883	$ 226,851	$ 4,769,032	$ 1,803,890
Interfund:							
Mgmt Fund to CDR	$ 185,000	$ -	$ -	$ 185,000	$ -	$ 185,000	$ -

Following is a schedule of debt payment requirements to maturity for the mortgages noted above that require payments:

	Office Building		CHFA		
Year ending	Principal	Interest	Principal	Interest	Total
2018	$ 198,008	$ 98,211	$ 28,843	$ 22,987	$ 348,049
2019	207,967	88,252	31,175	20,655	348,049
2020	218,228	77,991	33,696	18,134	348,049
2021	229,404	66,815	36,420	15,410	348,049
2022	240,942	55,277	39,366	12,464	348,049
2023-2026	991,800	94,336	138,236	17,259	1,241,631
	$ 2,086,349	$ 480,882	$ 307,736	$ 106,909	$ 2,981,876

(Continued)

Note 6 (continued)

The energy equipment lease with WestAmerica Bank was paid off July 14, 2017. Interest in the amount of $2,666 was paid and expensed during the fiscal year ended March 31, 2017.

During December 2006, the Authority purchased an office building to house the staff of their Housing Choice Voucher Program. To facilitate this purchase, the Authority borrowed $2,847,500 from WestAmerica Bank on December 15, 2006. Originally, the interest on this loan was 6.75% per annum. The interest rate decreased to 6% in 2012 and 5.25% in 2013. On November 1, 2015, the terms of the loan agreement with WestAmerica Bank were changed. As of November 1, 2015, the $2,335,903 loan will be amortized over 120 months, is due November 1, 2025, requires monthly payments of $24,685, and accrues interest at a fixed rate of 4.850% per annum. Interest of $107,694 and loan fees of $2,850 were paid to WestAmerica Bank and expensed during the fiscal year ended March 31, 2017.

The California Housing Finance Agency note, received through the State of California, is dated November 14, 1994. The original amount borrowed was $600,000. The loan carries a simple interest rate of 7.8% per annum. Principal and interest are payable in monthly installments of $4,319. The note is due in full December 2024. Interest in the amount of $25,144 was paid and expensed during the calendar year ended December 31, 2016.

The Rental Housing Construction Program note, received through the State of California, is dated January 15, 1993. The original amount borrowed was $2,626,618. The loan accrues interest at a rate of 3% per annum. Payments are required on this loan only to the extent that the Casa Del Rio project has surplus cash. This note and interest on the note are due June 5, 2054. No principal or interest payments were made on this loan during the year ended December 31, 2016. Interest was expensed in the amount of $78,787. The amount of deferred interest accrued as payable as of the end of the fiscal year was $1,803,890. The entire amount is considered to be long-term and is shown as other noncurrent liabilities. See also Note 9.

Costs incurred in order to obtain permanent financing for the Casa Del Rio notes were $94,143 and are amortized on a straight-line basis into interest expense over the term of the loan. Interest expense amortization of permanent loan costs was $3,144 during the current fiscal year. In prior years the permanent loan costs, net of amortization were reported as other non-current assets. As the result of new accounting guidance, the permanent loan costs, net of amortization, are now reported as a reduction to long-term debt and the amortization reported as interest expense. This change in accounting policy had no effect on net position and therefore, is not reported as a prior period adjustment.

Pursuant to a demand note dated June 30, 1994, the Authority may be liable to HACCC Casa Del Rio, Inc for $185,000. Although the note is due upon demand, the maturity date is December 31, 2059. The note will be called prior to maturity only in the event that there are operating deficits and there is insufficient cash available to cover expenses.

(Continued)

Note 7 - PAYMENT IN LIEU OF TAXES

In connection with the Public Housing Program, the Authority is obligated to make annual payments in lieu of property taxes based on the lesser of 25% of the assessable value of owned housing, times the current tax rate; or 10% of the dwelling rents, net of utilities expense. At March 31, 2017, $92,758 was expensed for payment in lieu of taxes. Approximately 75% is payable as of March 31, 2017 and is shown as *Due to Other Agencies*.

Note 8 - UNEARNED REVENUE

Unearned revenue consists of:

Revolving loan funds held for future expenditures		$ 187,760
Prepaid rent - Public Housing	$ 20,165	
Casa Del Rio	1,648	21,813
Prepaid portability payments received from other agencies - Housing Choice Voucher		60,669
		$ 270,242

Note 9 - OTHER NONCURRENT LIABILITIES

Other noncurrent liabilities consist of:

Loan liability:		
CDBG:		
Notes receivable (See also Note 4)	$ 322,436	
Interest on notes receivable (See also Note 4)	89,579	$ 412,015
Rental Rehabilitation:		
Notes receivable (See also Note 4)	54,030	
Interest on notes receivable (See also Note 4)	15,771	69,801
Housing Choice Voucher Program		
Insurance reserves		59,130
Long term portion of the interest payable on the RHCP loan - a liability of the blended component unit, Casa Del Rio (See also Note 6)		1,803,890
		$ 2,344,836

(Continued)

Note 10 - NET POSITION

A. Net investment in capital assets

Net investment in capital assets consists of the following:

Capital assets, net of depreciation (see Note 5)	$	11,904,435
Long term debt (omitting interfund balances) (see Note 6)		(4,995,883)
Accrued interest on long term debt (see Note 6 & 9)		(1,803,890)
Net investment in capital assets	$	5,104,662

B. Restricted Net Position

Net position is reported as restricted when constraints placed on the net asset use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

In 2012, HUD implemented cash management procedures which mitigated the accumulation of excess HAP in Net Restricted Asset accounts by PHAs. These procedures based the payment of HAP on actual need reported by PHAs in the Voucher Management System (VMS). Most excess allocation is now held by HUD until PHAs demonstrate the need for the disbursement of funds. The balance in the HUD held reserves as of March 31, 2017 was approximately $5 million. The Authority held no excess HAP funds as of March 31, 2017.

The restricted net position of $591,228 is associated with the Casa Del Rio Senior Housing and represents replacement and operating reserves required by CHFA. These funds are being held by CHFA and are fully funded. See also Note 3.

C. Deficit Unrestricted Net Position

The Authority's Other State and Local Enterprise Fund had a deficit unrestricted net position balance as of March 31, 2017, of $5,726,296. This deficit is the result of the Authority's compliance with GASB Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement 27*. The Authority's Other State and Local Enterprise Fund holds the deferred outflows of resources, deferred inflows of resources, and the net pension liability of the Authority's retirement plan. These balances change annually as payments are made to the plan and as actuarial information is received regarding the plan.

The Authority's blended component unit, Casa Del Rio, Inc had a deficit unrestricted net position of $122,484. This is an increase to the deficit of $100,583 over the prior year.

(Continued)

Note 11 - RETIREMENT PLAN

A. Plan Description

The Authority participates in a cost-sharing multiple-employer defined benefit retirement plan that is administered by the Contra Costa County Employees' Retirement Association (CCCERA) under the County's Employee's Retirement Law of 1937 (1937 Act) and the Public Employee's Pension Act of 2013 (PEPRA). A more detailed description of the plan and the benefits provided can be obtained from the CCCERA's Comprehensive Annual Financial Report and the CCCERA's Actuarial Valuation and Review, which are located at www.cccera.org. CCCERA is a component unit of the County of Contra Costa.

CCCERA follows accounting principles and reporting guidelines set forth by GASB. The financial statements are prepared in accordance with generally accepted accounting principles in the United States of America, under which revenues are recognized when earned and deductions are recorded when the liability is incurred. Contributions are recognized in the period due, investment income is recognized as revenue when earned, retirement benefits and refunds of contributions are recognized when due and payable in accordance with the terms of the Plan. Investments are carried at fair value. There have been no significant changes to the plan.

B. Benefits Provided

All full-time employees of the Authority participate in this plan. There are currently 87 active plan members and 68 retirees or beneficiaries receiving benefits. The plan provides death, disability and service retirement benefits, in accordance with the 1937 ACT. Annual cost-of-living adjustments (COLA) to retirement benefits can be granted by the Retirement Board as provided by State statutes. The Authority has two applicable tiers, Tier 1 Enhanced and PEPRA Tier IV (3% Max COLA).

Tier 1 Enhanced employees are those with a membership prior to January 1, 2013. These members are eligible to retire once they attain the age of 70 regardless of service or at age 50, with 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. Benefits are calculated pursuant to Section 31676.16 for Enhanced Benefit Formulae. The monthly allowance is 1/50th (Enhanced) of final compensation times years of accrued retirement service credit times age factor from Section 31676.16 (Enhanced). The maximum retirement benefit is 100% of final compensation. Final average compensation consists of the highest 12 consecutive months.

PEPRA Tier IV employees are those with a membership on or after January 1, 2013. These members are eligible to retire once they have attained the age of 70 regardless of service or at 52, with five years of retirement service credits. Benefits are calculated pursuant to the provisions found in California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit

(Continued)

Note 11 (continued)

multiplied by the age factor from Section 7522.20(a). There is no final compensation limit in the maximum retirement benefit for this tier. Final average compensation consist of the highest 36 consecutive months.

C. Contributions

The Authority contributes to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from the CCCERA actuary after the completion of the annual actuarial valuation. Contribution rates for Tier 1 vary based on the employee's age at entry into the plan. Members are required to make contributions to CCCERA regardless of the retirement plan or tier in which they are included. The rates and contributions made during the fiscal year ended March 31, 2017 were as follows:

Tier	Payroll Subject to Contribution	Employer Contribution	as a % of Contribution	Employee Contribution	as a % of Contribution
Classic (tier 1)	$ 4,065,210	$ 1,880,899	46.27%	$ 303,225	7.45%
PEPRA	1,274,650	498,624	39.12%	76,881	6.03%
Total	$ 5,339,860	$ 2,379,523	44.56%	$ 380,106	7.12%

The contributions made by the Authority of $2,379,523, including $179,834 employer subvention of member contributions. As of March 31, 2017, the Authority owed CCCERA $235,882. This liability is short-term, represents March contributions paid in April 2017, and is reported as "due to other agencies" in the Statement of Net Position - Proprietary Funds.

D. Net Pension Liability

The *Governmental Accounting Standards 68 Actuarial Valuation Based on December 31, 2016 Measurement Date for Employer Reporting as of June 30, 2017*, provided by CCCERA outlines the net pension liability (NPL) allocated to its member employers as based on the following definition of covered payroll - "Only compensation earnable and pensionable would go into the determination of retirement benefits". The NPL was measured as of December 31, 2016 and 2015. The Plan's Fiduciary Net Position was valued as of the measurement date while the TPL was determined based upon rolling forwards the TPL from the actuarial valuations as of December 31, 2015 and 2014, respectively. The components of NPL for CCCERA, as a whole, are as follows:

Reporting Date for employer under GASB 68	6/30/2017	6/30/2016
Measurement Date for Employer under GASB 68	12/31/2016	12/31/2015
Total Pension Liability (TPL)	$ 8,838,974,427	$ 8,483,709,568
Plan's Fiduciary Net Position	(7,438,519,504)	(6,976,582,428)
Net Pension Liability (NPL)	$ 1,400,454,923	$ 1,507,127,140
Plan's Fiduciary Net Position as a % of TPL	84.16%	82.24%

(Continued)

Note 11 (continued)

The Plan provisions used in the measurement of the NPL as of December 31, 2016 and 2015 are the same as those used in the CCCERA funding valuations as of December 31, 2016 and 2015, respectively. The NPL and the Plan's Fiduciary Net Position include liabilities and assets held for the Post Retirement Death Benefit Reserve.

The most recent Actuarial Report available from CCCERA had a valuation date of December 31, 2016. The December 31, 2016 CCCERA Actuarial Report reflects the following changes to the Authority's NPL balances:

Reporting Date for employer under GASB 68	6/30/2017	6/30/2016
Measurement Date for Employer under GASB 68	12/31/2016	12/31/2015
NPL as the beginning of the measurement period	$ 10,788,391	$ 8,652,807
Pension Expense	1,879,712	1,712,545
Employer Contributions (1)	(2,179,232)	(2,329,742)
Estimated Net Deferred Inflows/Outflows of Resources	(152,748)	2,501,164
Change in Allocation of Prior Deferred Inflows/Outflows	33,313	12,100
New Net Deferred Flows Due to Changes in Proportion (2)	92,240	(72,664)
Recognition of Prior Deferred Inflows/Outflows of Resources	(328,939)	304,957
Recognition of Prior Deferred Flows Due to Change in Proportion (2)	27,867	7,224
NPL as of the end of the measurement period	$ 10,162,604	$ 10,788,391

(1) Excludes "employer subvention of member contributions". Prior to June 30, 2017 reporting date the contributions included "employer subvention of member contributions".
(2) Includes differences between employer contributions and proportionate share of contributions.

The Authority's proportionate share of CCCERA's NPL was 0.726% as of December 31, 2016 and 0.716% as of December 31, 2015. This is an increase to the Authority's proportionate share of 0.01%.

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability as of December 31, 2015 calculated using the discount rate of 7.00%, as well as what the NPL liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% decrease 6.00%	Current rate 7.00%	1% increase 8.00%
Housing Authority NPL	$ 18,242,466	$ 10,162,604	$ 3,579,862
CCCERA NPL in total	$ 2,611,814,062	$ 1,400,454,923	$ 413,397,900
Authority NPL as a % of CCCERA	0.698%	0.726%	0.866%

(Continued)

Note 11 (continued)

E. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension

Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits as follows:

	12/31/2016	12/31/2015
Service Cost	$ 1,481,084	$ 1,380,994
Interest on total pension liability	4,325,468	4,168,551
Expensed portion of current-period changes in proportion and differences between employer's contributions and proportionate share of contributions	25,837	(20,643)
Expensed portion of current-period difference between expected and actual experience in the TPL	(31,910)	(98,375)
Expensed portion of current-period changes of assumptions or other inputs	-	114,320
Member contributions	(648,763)	(611,033)
Projected earnings on plan investments	(3,560,149)	(3,583,223)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(9,707)	611,259
Administrative expense	62,010	58,092
Other expenses	(65,230)	4,784
Recognition of beginning of year deferred outflows of resources as pension expense	740,646	-
Recognition of beginning of year deferred inflows of resources as pension expense	(411,707)	(304,957)
Net amortization of deferred amounts from changes in proportion and differences between employer's contribution and proportionate share of contributions	(27,867)	(7,224)
Pension expense - measurement date 12/31	$ 1,879,712	$ 1,712,545

Deferred outflows and inflows of resources represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner, In addition, deferred outflows of resources include employer contributions to the pension plan made subsequent to the measurement date, as follows:

	Deferred Outflows	Deferred Inflows
Changes in proportion and differences between employer's contribution and proportionate share of contribution	$ 92,240	$ 63,580
Changes in assumptions or other input	294,069	192
Net excess of projected over actual earnings on pension plan investments	1,793,985	-
Difference between expected and actual experience in the TPL	-	833,610
Balances per actuarial report - measurement date 12/31/2016	2,180,294	897,382
Employer contributions made January thru March 2017	730,513	-
Balances reported March 31, 2017	$ 2,910,807	$ 897,382

Note 11 (continued)

Deferred outflows and inflows of resources, other than the employer contributions noted above, will be recognized in future pension expense as follows:

Measurement period:		
2017	$	285,291
2018		404,887
2019		605,900
2020		(13,166)

The amount reported as deferred outflows of resources related to employer contributions made January through March 2017, should have the effect of reducing net pension liability during the next actuarial measurement period. The Authority has reported deferred outflows and inflows of resources in the aggregate on the Statement of Net Position.

F. Actuarial Assumptions

The total pension liability (TPL) as of December 31, 2016, and December 31, 2015 were determined by actuarial valuations as of December 31, 2015 and December 31, 2014, respectively. The actuarial assumptions used were based on the results of an experience study for the period January 1, 2012 through December 31, 2014. They are the same as the assumptions used in the CCCERA funding valuations as of December 31, 2016 and 2015. The following actuarial assumptions were applied to all periods included in the measurement for both the December 31, 2016 and 2015 actuarial valuations.

Valuation Date	12/31/2016	12/31/2015
Inflation	2.75%	2.75%
Salary increases - general	4.0% to 13.25%	4.0% to 13.25%
Investment rate of return	7.00%	7.00%
Administrative expenses	1.12%	1.14%
Cost of living adjustment	2.75%	2.75%

When measuring pension liability GASB uses the same actuarial cost method (Entry Age method) and the same type of discount rate (expected return on assets) as CCCERA uses for funding. This means that the TPL measured for financial reporting shown in this report is determined on generally the same basis as CCCERA's actuarial accrued liability (AAL) measure for funding.

Mortality rates for member contribution rates for members were based on the RP-2014 Healthy Annuitant Mortality Table projected to 2034 with the two-dimensional MP-2015 projection scale, weighted 30% male and 70% female.

(Continued)

Note 11 (continued)

The long-term expected rate of return on pension plan investments determined in 2016 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin.

The target allocation (approved by the CCCERA Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expensed, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate
Large Cap U.S. Equity	6.0%	5.75%
Developed International Equity	10.0	6.99
Emerging Markets Equity	14.0	8.95
Short-term Gov't/Credit	24.0	0.20
U. S. Treasury	2.0	0.30
Real Estate	7.0	4.45
Risk Diversifying	2.0	4.30
Private Credit	17.0	6.30
Private Equity	17.0	8.10
Cash and Equivalents	1.0	-0.46
Total	100.0%	

The discount rate used to measure the TPL was 7% as of both December 31, 2016 and December 31, 2015. The projection of cash flows used to determine the discount rate assumed employer and employee contributions will be made at the rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions for future plan members, are not included. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of both December 31, 2016 and 2015.

(Continued)

Note 12 - POST EMPLOYMENT HEALTHCARE PLAN

Plan Description: Contra Costa County Housing Authority (CCCHA) provides a defined benefit health care program to its retired employees and their dependents. Benefits include coverage in the health and dental plans administered by CCCHA. Benefit provisions are established and amended through negotiations between CCCHA and the respective unions and employee groups. Current maximum monthly contribution toward the cost of medical and dental coverage ranges from $345 to $980. CCCHA does not issue a publicly available financial report for the retiree health care program.

Eligibility: CCCHA retirees are eligible for membership in the plans upon retirement (drawing a pension from Contra Costa County Employee Retirement Association (CCCERA) or CalPers). No provision currently exists for members in deferred retirement status.

Retirees and beneficiaries receiving benefits	68
Active plan members	87
Total	155

Funding Policy: The contribution requirements of program members and CCCHA are determined by negotiations between CCCHA and the respective unions and employee groups. There is currently no requirement for employees to contribute to the plan.

In 2016, CCCHA established a trust account with the Public Agency Retirement Services (PARS) to administer the funding of the projected benefits of the OPEB plan. Monthly, CCCHA makes healthcare premium payments for its current retirees to the benefit providers. The retiree contributes any necessary amount of the premium cost that exceeds the specific established plan limits. CCCHA then makes deposits into their PARS trust account for the difference between the actuarially determined annual OPEB cost and the out-of-pocket payments made to the healthcare benefit providers.

Annual Other Post Employment Benefit (OPEB) Cost and Net OPEB Obligation: The CCCHA's annual OPEB costs (expense) are calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. Interest on net OPEB obligation is based on the actuarial interest rate of 7.39% and is computed on the Net OPEB obligation. The adjustment to the ARC is intended to provide a reasonable approximation of that portion of the ARC that consists of interest associated with past contribution deficiencies. GASB 45 specifies that this adjustment should be equal to an amortization of the discounted present value of the net OPEB obligation at the beginning of the

(Continued)

Note 12 (continued)

year. The amortization is calculated using the same amortization method and period used in determining the ARC for that year.

The most current actuarial report, performed by Nicolay Consulting, is dated June 24, 2016, with a valuation date of April 1, 2016. The prior report, performed by the same firm, had a valuation date of April 1, 2014. The following table shows the components of the CCCHA's annual OPEB cost, based on these actuarial reports, for the past three years; the amounts actually contributed to the plan; and changes in the CCCHA's net OPEB obligation.

	3/31/2017	3/31/2016	3/31/2015
Present Value of Future Benefits	$ 6,774,936	$ 6,774,936	$ 6,175,797
Actuarial Accrued Liability (AAL)	$ 5,660,949	$ 5,660,949	$ 5,016,892
Normal costs	$ 194,143	$ 183,002	$ 183,002
Amortization of unfunded AAL	331,955	197,344	192,785
Annual Required Contribution (ARC)	526,098	380,346	375,787
Interest on net OPEB obligation at beginning of year (7.39% /4%/4%)	177,934	95,813	91,033
ARC adjustment for current fiscal year	(143,936)	(92,045)	(87,455)
Annual OPEB Cost	560,096	384,114	379,365
Contributions made on behalf of participants	(275,316)	(263,850)	(259,871)
Deposit made to PARS trust	(95,183)	(107,802)	-
Contributions deferred	(176,971)	(12,644)	-
Increase (decrease) in net OPEB obligation	12,626	(182)	119,494
Net OPEB obligation - Beginning of year	2,395,139	2,395,321	2,275,827
Net OPEB obligation - End of year	$ 2,407,765	$ 2,395,139	$ 2,395,321

Funding Status and Funding Progress:

	3/31/2017	3/31/2016	3/31/2015
PARS trust balance - beginning of year	$ 107,984	$ -	$ -
Deposits made	95,183	107,802	-
Investment earning (net of expense)	12,254	182	-
PARS trust balance - end of year	$ 215,421	$ 107,984	$ -
AAL unfunded as the end of the period	$ 5,445,528	$ 5,552,965	$ 5,016,892
Annual Covered Payroll	$ 5,752,616	$ 5,150,586	$ 4,750,311
Normal Costs as a percentage of covered payroll	3.37%	3.55%	3.85%
ARC as a percentage of covered payroll	9.15%	7.38%	7.91%
Unfunded AAL as a percentage of covered payroll	94.66%	107.81%	105.61%
Percentage of ARC funded during the year	70.42%	97.71%	69.15%
Percentage of Annual OPEB costs contributed	66.15%	96.76%	68.50%
Percentage of the AAL that is funded in PARS	3.81%	1.91%	0.00%

Note 12 (continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information on page 60, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The valuation dated April 1, 2016, was completed using the Entry Age Normal Cost Method. This cost method allocates the present value of future benefits on a level basis over the earnings of each employee between the hire date and assumed retirement age. This valuation assumes a 3.25% annual rate of increase in payroll, annual health care cost trend rate assumptions ranging from 5% to 8% over the next 12 years, and is based on an open 30-year amortization of the Unfunded Actuarial Liability using the level percent of covered payroll. The valuation results were based on a 4% discount rate up until March 31, 2016, assuming that the CCCHA continues pay-as-you-go funding of its post-employment benefit program. The discount rate changed to 7.39% beginning April 1, 2016 which coincides with the Authority’s decision to fund the OPEB plan. The termination and retirement rates used match those used in the 2014 CCCERA pension valuation. The mortality rates used match those used in the most recent CalPERS pension valuation. The mortality rates for each future year were determined based on a generational mortality projection using Projection Scale MP-2014. It is assumed that 90% of active employees who are currently enrolled in medical and dental coverage and retire from HACCC will elect to participate in OPEB. It is assumed that 70% of active employees who are currently enrolled in dental coverage and retire from HACCC will elect to participate in OPEB.

Future Changes: A new standard, GASB 75, will replace GASB 45 beginning April 1, 2017. This new standard will require the Authority to record the UAAL as a liability on its Statement of Net Position in a manner similar to the current requirements of GASB 68. As noted above the UAAL as of March 31, 2017 was $5,445,528. Of this amount, $2,407,765 is currently reported as a long-term liability - OPEB on the Statement of Net Position.

(Continued)

Note 13 - DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by Mass Mutual Financial Group. The plan, available to all regular employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefits of participants and their beneficiaries.

A total of $3,162,466 is being held by Mass Mutual Financial Group on behalf of the Authority's employees. These funds are not recorded as assets of the Authority since they are held in trust for the exclusive benefit of participants and their beneficiaries and are not subject to claims of the Authority's general creditors.

Note 14 - RELATED PARTIES

Casa Del Rio Housing - Blended Component Unit

Organization:

Casa Del Rio Housing is made up of HACCC Casa Del Rio, Inc (A California Nonprofit Public Benefit Corporation) and CDR Senior Housing Associates (A California Limited Partnership). HACCC Casa Del Rio, Inc. is the general partner of CDR Senior Housing Associates. The officers and Board members of HACCC Casa Del Rio, Inc. are employees of the Authority. The partnership was formed in 1994 to develop and operate an 82-unit affordable housing rental complex located in Antioch, California, which is currently known as Casa Del Rio Senior Housing.

Pursuant to the Indemnification Agreement dated July 1, 1994, by and among the Authority, HACCC Casa Del Rio, Inc., CDR Senior Housing Associates, and MHIFED I Limited Partnership, the Authority could possibly be liable for unpaid taxes, interest and penalties, cost to contest, operating deficiency and expenses of enforcement as identified in the Agreement.

Pursuant to the Operating Deficit Guaranty Agreement dated July 1, 1994, by the Authority to and for the benefit of MHIFED I Limited Partnership, the Authority can possibly be liable for operating deficit and expenses of enforcement as identified in the Agreement.

Pursuant to the Indemnity Agreement, dated July 1, 1994, by the Authority to and for the benefit of CDR Senior Housing Associates and MHIFED I Limited Partnership, the Authority can possibly be liable for any costs, expenses, and liabilities arising out of claims made by FPI (FPI Real Estate Group, FPI Mortgage Co. and FPI Management, Inc.) under the Development Agreement.

(Continued)

Note 14 (continued)

Pursuant to the Demand Note dated June 30, 1994, from the Authority to HACCC Casa Del Rio, Inc., the Authority can possibly be liable to HACCC Casa Del Rio, Inc. for $185,000. Although the note is due upon demand the maturity date is December 31, 2059, the note will be called prior to maturity only in the event that there are operating deficits and there is not sufficient cash available to cover expenses. This note is recorded as both an interfund note receivable and note payable (see Notes 4 and 6).

Pursuant to the Assignment and Assumption Agreement, the Authority can possibly be liable for any and all claims relating to the Assignment and Assumption Agreement arising prior to the date of the Assignment and Assumption Agreement.

Pursuant to the Department of Housing and Community Development Rental Housing Construction Program First Amendment to the Regulatory Agreement (the "Amended HCD Agreement") dated November 14, 1994, by and among the Department of Housing and Community Development, CDR Senior Housing Associates, and the Authority; the Authority can possibly be liable for a sponsor's operating guaranty to provide sufficient staff or equipment to the general partner, as needed and remedies against sponsor for default under the Amended HCD Agreement.

Since HACCC Casa Del Rio, Inc (CDR Inc) and CDR Senior Housing Associates (CDR Associates) have the potential to impose a financial burden on the Authority, these entities have been included in the Authority's financial statements as a blended component unit. The fiscal year end of these blended component units is December 31. Audits were conducted on these entities as of December 31, 2016, by Linquist, Von Husen, & Joyce, LLP. The opinions were not modified. These audit reports may be obtained by contacting the Authority at the address on page 11. The Authority reports the balances for these blended component units as of December 31, 2016, which differs from that of the Authority's fiscal year end of March 31, 2017. The balances at each fiscal year end do not differ materially. Modification were made to the audited financial statements to conform with the reporting categories of the Authority. Specifically, net assets reported in the audit were converted to the three categories of net position in conformity with the Authority's reporting practices.

Condensed Financial Statements:

The condensed financial statements for HACCC Casa Del Rio, Inc. and subsidiary as of and for the year ended December 31, 2016, are as follows:

STATEMENT OF NET POSITION

Current assets	$ 175,328
Restricted assets	602,101
Property and equipment	3,107,777
Other non-current assets	185,000
Total assets	$ 4,070,206

(Continued)

Note 14 (continued)

STATEMENT OF NET POSITION (continued)

Current liabilities	$ 40,323
Payable from restricted assets	41,894
Long term liabilities	5,124,892
Total liabilities	5,207,109
Net investment in capital assets	(1,605,647)
Restricted net position	591,228
Unrestricted net position	(122,484)
Total net position	(1,136,903)
Total liabilities and net position	$ 4,070,206

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Rental revenue	$ 505,123
Interest and other revenue	9,073
Total revenue	514,196
Administrative expenses	200,764
Utility expenses	94,920
Maintenance expenses	162,001
General expenses	53,684
Depreciation	179,108
Total expenses	690,477
Operating income (loss)	(176,281)
Debt service interest	(107,075)
Change in net position	(283,356)
Net position at the beginning of the year - 1/1/2016	(853,547)
Net position at the end of the year - 12/31/2016	$ (1,136,903)

STATEMENT OF CASH FLOWS

Net cash provided (used) by:	
Operating activities	$ 34,326
Noncapital financing activities	33,732
Capital financing activities	(51,831)
Investing activities	5,331
Net change in cash	21,560
Cash at the beginning of the year - 1/1/2016	705,896
Cash at the end of the year - 12/31/2016	$ 727,454

Note 14 (continued)

Interfund accounting issues:

Operating advances made by the Authority were $468,522 as of March 31, 2017. The interfund balance as of December 31, 2016 was $440,311 and was reported as non-current related party payable by the other auditors. The Statement of Net Position - Proprietary Funds, reported as of March 31, 2017, shows $440,311 as both a noncurrent asset and as a noncurrent liability. The difference of $28,211, due to the timing differences of the fiscal year ends, is shown as “other” noncurrent assets.

During the fiscal year ended December 31, 2016, CDR Associates paid management fees to the Authority in the amount of $52,452. Some of the Casa Del Rio Senior Housing tenants (3 as of December 31, 2016) are also participants in the Authority’s Housing Choice Voucher or Shelter Plus Care Programs. The rent for these tenants is subsidized by HUD through the Authority. During the twelve months ended March 31, 2017, the Authority’s Housing Choice Voucher and Shelter Plus Care Programs paid a total of $16,338 in HAP payments to CDR Associates.

Intrafund accounting issues:

The intrafund amounts which have been eliminated as of March 31, 2017, from the Casa Del Rio Blended Component Unit Enterprise Fund for inclusion into the Fund Financial Statements include:

- $121,330 receivable/payable between CDR Inc and CDR Associates
- $1,463,867 investment in partnership recorded as an liability of CDR Inc and net position of CDR Associates.
- $15,000 managements fees reported as revenue to CDR Inc and expenses of CDR Associates.
- $13,912 interest fees reported as revenue to CDR Inc and expenses of CDR Associates.

Deficit Net Position

These blended component units combined, have a deficit net position of $1,136,903, including a deficit unrestricted net position of $122,484. This deficit is an increase over the prior year’s deficit balance in total net position of $853,547.

(Continued)

Note 14 (continued)

DeAnza - Discretely Presented Component Units

Organization:

The discretely presented component units are DeAnza Housing Corporation (A California Nonprofit Public Benefit Corporation) and DeAnza Gardens, L.P. (A California Limited Partnership). The Authority is the General Partner and DeAnza Housing Corporation is the managing general partner of DeAnza Gardens, L.P. The partnership was formed for the purpose of acquisition, ownership, maintenance, and operation of 180 multi-family rental housing units and the provision of low-income housing through the construction, renovation, rehabilitation, operation, and leasing of an affordable housing development located in Contra Costa County, which is currently known as DeAnza Gardens.

DeAnza Housing Corporation (DeAnza Corp) and DeAnza Gardens L.P. (DeAnza L.P.) have been reported as discretely presented component units of the Authority. The fiscal year end of these discretely presented component units is December 31. Audits were conducted on these entities as of December 31, 2016, by Linquist, Von Husen, & Joyce, LLP. The opinions were not modified. These audit reports may be obtained by contacting the Authority at the address on page 11. The Authority reports the balances for these discretely presented component units as of December 31, 2016, which differs from that of the Authority's fiscal year end of March 31, 2017. The balances at each fiscal year end do not differ materially. Modifications were made to the audited financial statements to conform with the reporting categories of the Authority. Specifically, net assets reported in the audit were converted to the three categories of net position in conformity with the Authority's reporting practices.

Inter-agency accounting issues:

The amounts shown as due to related parties consist of the following:

	Primary Gov't Assets 3/31/2017	Component Unit Liabilities 12/31/2016
Due to the Authority:		
Short-term for operations	$ 69,684	$ 14,012
Long-term:		
Interest on note	$ 480,107	$ 472,607
Land lease	996,000	978,000
Long-term for operations	534,422	586,558
	$ 2,010,529	$ 2,037,165
Due to Boston Capital - long-term		$ 8,378

Note 14 (continued)

The Authority's Housing Choice Voucher Enterprise Fund loaned $1 million to DeAnza Gardens L.P. The note bears simple interest at the rate 3% per annum, payments are due commencing on October 1, 2008, but are payable only to the extent of the previous years' excess/distributable cash, and is due June 2043. Interest of $30,000 was expensed during the fiscal year ended December 31, 2016. No interest has been paid to the Authority. The Authority's Housing Choice Voucher Enterprise Fund reported $480,107 due from related parties and revenue of $30,000. See Note 4.

DeAnza Gardens was built on land owned by the Authority's Public Housing Program Enterprise Fund. Based on an agreement between DeAnza Gardens L.P. and the Authority, the land is leased for $72,000 per year, payable from excess/distributable cash. Unpaid lease amounts are carried forward without interest. The Authority's Public Housing Program Enterprise Fund reported $996,000 due from related party for this lease, with $72,000 reported in the current fiscal year as fees charged to a related party (nonoperating revenue).

During the fiscal year ended December 31, 2016, DeAnza Gardens L.P. paid management fees to the Authority in the amount of $12,960. Nonoperating revenue of $12,960 is reported in the Authority's Statement of Revenues, Expenses, and Changes in Fund Net Position for the year ended March 31, 2017. Some of the DeAnza Gardens tenants (7 as of December 2016) are also clients of the Authority's Housing Choice Voucher or Shelter Plus Care Program. The rent for these tenants is subsidized by HUD through the Authority. During the twelve months ended March 31, 2017, the Authority's Housing Choice Voucher Program paid $89,406 in HAP payments to DeAnza Gardens L.P.

Intrafund accounting issues:

The intrafund amounts which have been eliminated when reporting these entities in the Statement of Net Position and Statement of Revenues, Expenses, and Changes in Fund Net Position are:

- $1,000,000 long-term note held by DeAnza Corp from DeAnza L.P.
- $918,280 of interest on the long-term note held by DeAnza Corp from DeAnza L.P.
- $335,525 receivable recognized by DeAnza Corp from DeAnza L.P.
- $703 deficit investment in partnership reported by DeAnza Corp is offset by net position in DeAnza L.P.
- $56,106 managements fees reported as revenue to DeAnza Corp and expenses of DeAnza L.P.
- $68,000 interest revenue on the long-term debt is recognized by DeAnza Corp and expensed by DeAnza L.P.

(Continued)

Note 14 (continued)

Cash and investments:

	Unrestricted	Restricted
Demand deposits (FDIC insured up to $250,000)	$ 220,646	$ 35,364
Cash held by investment companies	-	1,255
Investments	-	960,274
Held by mortgagor	-	492,734
Cash on hand	500	-
	$ 221,146	$ 1,489,627

The demand deposits are with WestAmerica bank. The total on deposit did not exceed the amount covered by FDIC as of December 31, 2016. FDIC coverage is $250,000 for 2016. Cash and investments of $961,529 are held by Cantella & Co., Inc. The investments consist of six marketable certificates of deposit with face values ranging from $108,000 to $230,000.

Restricted cash includes replacement and operating reserves required by the lender and reported as restricted net assets totaling $1,454,263. Cash has also been restricted for security deposits in the amount of $35,364. The excess of the security deposit liability of $132,154, over the cash balance represents cash held as an investment in the operating reserve account.

Capital assets:

DeAnza Gardens was completed and placed into service during the fiscal year ended December 31, 2004. DeAnza Gardens L.P.'s property and equipment are summarized as follows:

	12/31/2016	12/31/2015
Building and improvements	$ 29,505,562	$ 29,505,562
Land improvements	1,150,712	1,150,712
Off-site improvements	208,448	208,448
On-site improvements	4,028,709	4,028,709
Furniture and fixtures	532,556	488,321
	35,425,987	35,381,752
Less accumulated depreciation	(12,701,623)	(11,675,442)
	$ 22,724,364	$ 23,706,310

Property and equipment are being depreciated on the straight-line method over the estimated useful life of the assets. The useful lives of the assets are estimated to be forty years for buildings and off-site improvements, fifteen years for on-site improvements and seven years for furniture and fixtures.

Note 14 (continued)

Long-term debt:

Permanent financing was obtained for the costs of the DeAnza Gardens' construction during 2005. The note is held by California Community Reinvestment Corporation. The original amount of the loan was $10,115,373. This loan requires monthly payments of $64,603, beginning November 1, 2005, earns interest at a rate of 6.6% per annum, and is due in full October 2023. Activity on the loan is as follows:

	Balance 12/31/2015	Payments	Balance 12/31/2016	S/T Portion	L/T Portion	Interest Payable
	$ 8,562,087	$ (216,609)	$ 8,345,478	$ 231,346	$ 8,114,132	$ 45,900
Loan costs			(68,111)		(68,111)	
			$ 8,277,367		$ 8,046,021	

Interest expense for the fiscal year ended December 31, 2016	$ 556,316

Costs incurred in order to obtain permanent financing for the De Anza notes were $391,461 and are amortized on a straight-line basis into interest expense over the term of the loan. Interest expense amortization of permanent loan costs was $11,352 during the current fiscal year. In prior years the permanent loan costs, net of amortization were reported as other non-current assets. As the result of new accounting guidance, the permanent loan costs, net of amortization, are now reported as a reduction to long-term debt and the amortization reported as interest expense. This change in accounting policy had no effect on net position and therefore, is not reported as a prior period adjustment.

Deficit Unrestricted Net Position

While DeAnza Gardens has a positive net position in total, its unrestricted net position is in deficit as of December 31, 2016. The majority of the entity's assets are either invested in capital assets or restricted, leaving the unrestricted net position in deficit by $2,994,594. This deficit is an increase over the prior year's deficit in unrestricted net position of $2,929,179.

Note 15 - CONTINGENT LIABILITIES

A. Grants

The Authority has received funds from various federal, state and local grant programs. It is possible that at some future date it may be determined that the Authority was not in compliance with applicable grant requirements. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Authority does not expect such disallowed amounts, if any, to materially affect the financial statements.

B. Line of Credit

On January 9, 2017, the Authority renewed an agreement with WestAmerica Bank for a $1 million line of credit. The interest rate is variable, but will not exceed the amount allowed by law. The initial rate for this line of credit was 4.5%. It is the Authority's intention to use this line of credit to cover any shortage in cash flow, if any, that may arise over the term of the loan. No amounts were drawn on this line of credit during the current fiscal year.

C. Litigation

The Authority is involved in various matters of litigation. It is the Authority's opinion that these matters of litigation will not have a material effect, if any, on the financial position of the Authority.

Note 16 - ECONOMIC DEPENDENCE

The Authority receives a significant portion of its revenue from the U.S. Department of Housing and Urban Development. See the Schedule of Expenditures of Federal Awards, shown as supplemental information, for the HUD programs that the Authority administers. These programs are currently on-going. However, they are dependent on the Federal budgeting processes, and therefore, funding will vary from year to year.

Note 17 - RISK MANAGEMENT

Workers Compensation Insurance: The Authority participates in a joint venture under a joint powers agreement (JPA) with the California Housing Workers' Compensation Authority (CHWCA). CHWCA was formed to provide workers' compensation insurance coverage for member housing authorities. At December 31, 2016, there were thirty-two members. The relationship between the Authority and CHWCA is such that CHWCA is not a component unit of the Authority for financial reporting purposes.

(Continued)

Note 17 (continued)

Condensed CHWCA audited financial information for the year ended December 31, 2016 and 2015 are as follows:

	December 31, 2016	December 31, 2015
Total assets	$ 26,789,732	$ 25,524,673
Total liabilities	(15,021,154)	(15,818,959)
Net position	$ 11,768,578	$ 9,705,714
Total revenues	$ 5,351,150	$ 5,118,049
Total expenses	(3,288,286)	(3,424,446)
Net change in net position	$ 2,062,864	$ 1,693,603

CHWCA had no long-term debt outstanding at December 31, 2016. The Authority's share of year end assets, liabilities, or retained earnings has not been calculated. The Authority's annual premium is based on covered payroll. Premiums paid for the calendar year ended December 31, 2016 were $234,396. CHWCA issues a separate comprehensive annual financial report. Copies of this report may be obtained by contacting Bickmore Risk Services, 6371 Auburn Boulevard, Suite B, Citrus Heights, California, 95621.

Property and Liability Insurance: The Authority carries insurance for its various operations with the Housing Authority Insurance Services (HAI), the Housing Authority Risk Retention Group (HARRG), and Employment Risk Management Authority (ERMA). The property insurance limits vary by property covered, with a deductible of $25,000 per occurrence. The commercial liability limit of coverage is $5,000,000 aggregate for the policy year. The deductible is $25,000 per occurrence. The liability insurance covers bodily injury and property damage liability ($5 million limit), mold liability ($250,000 limit), and employee benefits administration liability ($1 million limit, with a deductible of $1,000 per employee). The automobile insurance limits are $4 million for liability, $1 million for non-owned hired autos, and $1 million for uninsured motorists. Employment liability insurance coverage through ERMA is $1 million with a $50,000 deductible per occurrence. Premiums paid for this coverage were approximately $320,000 for the policy year beginning June 1, 2016.

REQUIRED SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
REQUIRED SUPPLEMENTARY INFORMATION
AS OF MARCH 31, 2017

Schedule of Proportionate Share of the Net Pension Liability (NPL)

Reporting Date for Employer Under GASB 68	Proportion of the NPL	Proportionate Share of the NPL	Covered Employee Payroll	NPL as a % of covered Payroll	Funded Ratio
6/30/2014	0.724%	$ 10,648,283	$ 4,677,572	227.65%	80.04%
6/30/2015	0.724%	$ 8,652,807	$ 4,691,885	184.42%	84.06%
6/30/2016	0.716%	$ 10,788,391	$ 4,841,907	222.81%	80.83%
6/30/2017	0.726%	$ 10,162,604	$ 5,215,890	194.84%	82.73%

Schedule of Employer Contributions

Measurement Date Year Ended December 31	Actuarially Determined Contributions	Contribution in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
2015	$ 2,329,742	$ 2,329,742	$ 0	$ 4,841,907	48.12%
2016	$ 2,179,232	$ 2,179,232	$ 0	$ 5,215,890	41.78%

Contributions exclude "employer subvention of member contributions". Prior to the December 31, 2016 measurement date the contributions included "employer subvention of member contributions".

Schedule of Funding Progress for OPEB

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Status	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
3/31/2008	$ -	$ 16,457,000	$ 16,457,000	0%	$ 5,279,413	311.72%
3/31/2009	$ -	$ 8,236,801	$ 8,236,801	0%	$ 5,345,205	154.10%
3/31/2010	$ -	$ 8,236,801	$ 8,236,801	0%	$ 5,133,982	160.44%
3/31/2011	$ -	$ 4,931,685	$ 4,931,685	0%	$ 5,832,771	84.55%
3/31/2012	$ -	$ 5,105,240	$ 5,105,240	0%	$ 5,057,120	100.95%
3/31/2013	$ -	$ 5,224,097	$ 5,224,097	0%	$ 5,352,272	97.61%
3/31/2014	$ -	$ 5,365,137	$ 5,365,137	0%	$ 5,768,742	93.00%
3/31/2015	$ -	$ 5,016,892	$ 5,016,892	0%	$ 4,750,311	105.61%
3/31/2016	$ 107,984	$ 5,660,949	$ 5,552,965	1.9%	$ 5,150,586	107.81%
3/31/2017	$ 215,421	$ 5,660,949	$ 5,445,528	3.8%	$ 5,752,616	94.66%

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
MARCH 31, 2017

- The Proportionate Share of Net Pension Liability presents the Authority's portion of CCCERA's NPL as a dollar value as well as a percentage. The funded ratio represents the Authority's proportionate share of the Plan's Fiduciary Net Position as a percentage of the Authority's proportionate share of the Total Pension Liability. GASB 68 requires this schedule to include ten-year trend analysis. The trend analysis is intended to aid the reader in determining the financial health of the pension plan. The schedule contains all currently known information and will be built prospectively as the information becomes available, until the ten year requirement has been met. This schedule was provided by CCCERA in its "GAS 68 Actuarial Valuation Based on December 31, 2016 Measurement Date for Employer Reporting as of June 30, 2017".

- The Schedule of Employer Contributions presents information regarding the Authority's required contributions to CCERA, the amounts actually contributed, and any excess or deficiency to the contributions required. This schedule reports only employer required contributions. The amounts noted are based on the Plan's calendar year and not on the Authority's fiscal year end of March 31. See also Footnote 11 to the Basic Financial Statements for the contributions, both employer and employee, for the current fiscal year. GASB 68 requires this schedule to include ten-year trend analysis. The trend analysis is intended to aid the reader in determining the financial health of the pension plan. The schedule contains all currently known information and will be built prospectively as the information becomes available, until the ten year requirement has been met. The information for this schedule was obtained from information contained in CCCERA's "GAS 68 Actuarial Valuation Based on December 31, 2016 Measurement Date for Employer Reporting as of June 30, 2017".

- The Schedule of Funding Progress for OPEB is intended to show trends regarding the funding progress of the Authority's actually determined liability for postemployment benefits other than pensions. The authority began funding these benefits during the prior fiscal year. Please see also Footnote 12 to the Basic Financial Statements.

- There have been no changes in benefit terms since the previous valuation for either CCCERA or the Authority's OPEB.

- There have been no change in assumptions from CCCERA's prior year valuation, except for administrative expenses which decreased from 1.14% to 1.12% of payroll.

- The valuation results for OPEB were based on a 4% discount rate up until March 31, 2016, assuming that the Authority continued the pay-as-you-go funding of OPEB. The Discount rate changed to 7.39%, beginning April 1, 2016, which coincides with the Authority's decision to fund the OPEB plan.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2017

Federal Grantor	CFDA Number	Expenditures
Department of Housing and Urban Development (HUD):		
Direct Programs:		
Shelter Plus Care	14.238	$ 4,530,663
Public and Indian Housing	14.850	5,740,091
Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation	14.856	200,812
Housing Choice Voucher Program	14.871	94,744,960
Public Housing - Capital Fund Program	14.872	1,723,695
Family Self Sufficiency Program Coordinators	14.896	140,837
Subtotal federal expenditures, Dept of HUD		107,081,058
Total expenditures of federal awards		$ 107,081,058

The accompanying Independent Auditors' Report and notes are an integral part of this schedule.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2017

1. The schedule of expenditures of federal awards includes the federal award activity of the Housing Authority of the County of Contra Costa, California, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a select portion of the operations of the Authority it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority. The Authority has elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

2. Expenditures are reported as follows:

Shelter Plus Care Program - expenditures reported agree with the HUD grants earned for the year.

Public and Indian Housing Program - expenditures reported consist only of the operating subsidy amount received from HUD for the fiscal year ended March 31, 2017.

Moderate Rehabilitation Program - expenditures reported consist of operating expenses to the extent that federal grants were received towards these expenditures and/or that prior year funding is available for expenditure. These amounts differed from the actual annual contributions received.

Housing Choice Voucher Program - expenditures reported consist of operating expenses, including capital transactions and omitting depreciation, to the extent that federal grants were received towards these expenditures and/or that prior year funding was available for expenditure. These amounts differed from the actual annual contributions received from HUD. The expenditures were determined as follows:

	HAP	Admin	Total
Operating expenses	$ 88,785,779	$ 6,548,113	$ 95,333,892
Adjustments:			
Depreciation	-	(177,332)	(177,332)
HAP reimbursed by other housing authorities	(894,349)	-	(894,349)
Transfers to other programs	-	198,826	198,826
Capital additions	-	164,033	164,033
Debt retired	-	188,526	188,526
Total Expenditures	$ 87,891,430	$ **6,922,166**	$ 94,813,596
Federal grants earned	$ 87,634,595	$ 6,564,181	$ 94,198,776
Prior funding available for expenditure	188,199	4,063,503	4,251,702
Federal awards available for expenditure	$ **87,822,794**	$ 10,627,684	$ 98,450,478
Expenditures of Federal awards	$ **87,822,794**	$ **6,922,166**	$ **94,744,960**

Public Housing Capital Fund Program - expenditures reported agree with the revenue and actual expenditures (expenses, plus capital expenditures, less depreciation expense) for the current fiscal year.

Family Self Sufficiency Program Coordinators - expenditures reported agree with the HUD grants earned for the year.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
FINANCIAL DATA SCHEDULE (CA011)
BALANCE SHEET
AS OF MARCH 31, 2017

	Public Housing (including Capital Fund)	PIH Family Self-Sufficiency Program	Community Development Block Grant	Housing Choice Vouchers	Discretely Presented Component Unit - De Anza
CFDA Number	**14.850/14.872**	**14.896**	**14.218**	**14.871**	
111 Cash - Unrestricted	$99,812	$17,224	$136,253	$1,619,714	$221,145
113 Cash - Other Restricted				$2,308	$1,454,263
114 Cash - Tenant Security Deposits	$324,735				$35,364
100 Total Cash	$424,547	$17,224	$136,253	$1,622,022	$1,710,772
121 Accounts Receivable - PHA Projects				$3,977	
122 Accounts Receivable - HUD Other Projects	$442,277			$1,230,284	
125 Accounts Receivable - Miscellaneous	$0				$26,957
126 Accounts Receivable - Tenants	$188,759				$43,255
126.1 Allowance for Doubtful Accounts -Tenants	-$59,818				-$1,720
126.2 Allowance for Doubtful Accounts - Other	$0			$0	-$7,881
127 Notes, Loans, & Mortgages Receivable - Current					
129 Accrued Interest Receivable	$3,430			$9,683	$3,700
120 Total Receivables, Net of Allowances for Doubtful Accounts	$574,648	$0	$0	$1,243,944	$64,311
131 Investments - Unrestricted	$2,022,191			$1,117,094	
132 Investments - Restricted				$415,429	
142 Prepaid Expenses and Other Assets	$92,720			$1,788	$20,114
144 Inter Program Due From	$0		$0		
150 Total Current Assets	$3,114,106	$17,224	$136,253	$4,400,277	$1,795,197
161 Land	$1,026,405			$330,791	$1,150,712
162 Buildings	$88,915,211			$3,168,053	$29,714,010
164 Furniture, Equipment & Machinery - Administration	$1,560,550		$3,937	$829,031	$532,557
166 Accumulated Depreciation	-$85,366,714		-$3,937	-$2,010,036	-$12,701,623
167 Construction in Progress	$328,031				
168 Infrastructure					$4,028,709
160 Total Capital Assets, Net of Accumulated Depreciation	$6,463,483	$0	$0	$2,317,839	$22,724,365
171 Notes, Loans and Mortgages Receivable - Non-Current	$0		$322,436	$1,000,000	
174 Other Assets	$1,025,462		$89,580	$480,107	$0
180 Total Non-Current Assets	$7,488,945	$0	$412,016	$3,797,946	$22,724,365
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	$10,603,051	$17,224	$548,269	$8,198,223	$24,519,562

Blended Component Unit - Casa Del Rio	Shelter Plus Care	Rental Rehab Loan Program	Other State & Local	Section 8 Moderate Rehab	Central Office Cost Center	Subtotal	Eliminations	Total
	14.238			**14.856**				
$12,293	$62,066	$36,279	$243,365	$6,331		$2,454,482		$2,454,482
$591,229				$0		$2,047,800		$2,047,800
$10,873				$0		$370,972		$370,972
$614,395	$62,066	$36,279	$243,365	$6,331	$0	$4,873,254	$0	$4,873,254
				$0		$3,977		$3,977
	$209,645			$0		$1,882,206		$1,882,206
			$69,684	$0		$96,641		$96,641
$14,754				$0		$246,768		$246,768
-$5,799				$0		-$67,337		-$67,337
	$0		$0	$0		-$7,881		-$7,881
			$5,034	$0		$5,034		$5,034
		$787	$4,981	$0		$22,581		$22,581
$8,955	$209,645	$787	$79,699	$0	$0	$2,181,989	$0	$2,181,989
$113,060		$150,861	$1,548,065	$0	$380,712	$5,331,983		$5,331,983
				$0		$415,429		$415,429
$41,020			$245	$9	$29,468	$185,364		$185,364
			$0	$0	$770,676	$770,676	-$770,676	$0
$777,430	$271,711	$187,927	$1,871,374	$6,340	$1,180,856	$13,758,695	-$770,676	$12,988,019
$468,797				$0		$2,976,705		$2,976,705
$6,461,287			$74,415	$0		$128,332,976		$128,332,976
$178,405			$699	$128,078	$170,999	$3,404,256		$3,404,256
-$4,000,712			-$75,114	-$128,078	-$155,663	-$104,441,877		-$104,441,877
				$0		$328,031		$328,031
				$0		$4,028,709		$4,028,709
$3,107,777	$0	$0	$0	$0	$15,336	$34,628,800	$0	$34,628,800
$185,000		$54,030		$0		$1,561,466	-$185,000	$1,376,466
$0		$15,771	$1,002,944	$0		$2,613,864	-$440,311	$2,173,553
$3,292,777	$0	$69,801	$1,002,944	$0	$15,336	$38,804,130	-$625,311	$38,178,819
			$2,013,425	$0		$2,013,425		$2,013,425
$4,070,207	$271,711	$257,728	$4,887,743	$6,340	$1,196,192	$54,576,250	-$1,395,987	$53,180,263

The accompanying Independent Auditors' Report and Notes are an integral part of this schedule.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
FINANCIAL DATA SCHEDULE (CA011)
BALANCE SHEET
AS OF MARCH 31, 2017
(Continued)

	Public Housing (including Capital Fund)	PIH Family Self-Sufficiency Program	Community Development Block Grant	Housing Choice Vouchers	Discretely Presented Component Unit - De Anza
CFDA Number	**14.850/14.872**	**14.896**	**14.218**	**14.871**	
312 Accounts Payable <= 90 Days	$454,694			$397,392	$79,825
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion	$98,620	$17,224		$81,630	
325 Accrued Interest Payable					$45,900
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	$69,572		$136,253		
341 Tenant Security Deposits	$324,735				$167,518
342 Unearned Revenue	$20,165			$60,669	$28,631
343 Current Portion of Long-term Debt - Capital Projects				$198,008	$231,346
345 Other Current Liabilities					$14,012
346 Accrued Liabilities - Other	$153,362			$19,249	
347 Inter Program - Due To	$648,633				
310 Total Current Liabilities	$1,769,781	$17,224	$136,253	$756,948	$567,232
351 Long-term Debt, Net of Current - Capital Projects				$1,888,341	$8,046,021
352 Long-term Debt, Net of Current - Operating Borrowings					$1,000,000
353 Non-current Liabilities - Other				$476,867	$2,045,544
354 Accrued Compensated Absences - Non Current	$48,841			$39,106	
355 Loan Liability - Non Current			$412,016		
357 Accrued Pension and OPEB Liabilities	$1,115,932			$896,720	
350 Total Non-Current Liabilities	$1,164,773	$0	$412,016	$3,301,034	$11,091,565
300 Total Liabilities	$2,934,554	$17,224	$548,269	$4,057,982	$11,658,797
400 Deferred Inflow of Resources					
508.4 Net Investment in Capital Assets	$6,463,483			$231,490	$14,401,098
511.4 Restricted Net Position					$1,454,263
512.4 Unrestricted Net Position	$1,205,014	$0	$0	$3,908,751	-$2,994,596
513 Total Equity - Net Assets / Position	$7,668,497	$0	$0	$4,140,241	$12,860,765
600 Total Liabilities, Deferred Inflows of Resources & Equity	$10,603,051	$17,224	$548,269	$8,198,223	$24,519,562

Blended Component Unit - Casa Del Rio	Shelter Plus Care	Rental Rehab Loan Program	Other State & Local	Section 8 Moderate Rehab	Central Office Cost Center	Subtotal	Eliminations	Total
	14.238			**14.856**				
$9,832	$10,220		$29,006	$8	$25,017	$1,005,994		$1,005,994
			$235,882	$0		$235,882		$235,882
	$2,982	$146	$830	$29	$95,472	$296,933		$296,933
				$0		$45,900		$45,900
				$5,292		$5,292		$5,292
				$0				
	$136,023			$0		$341,848		$341,848
$41,894				$0		$534,147		$534,147
$1,648		$187,760		$0		$298,873		$298,873
$28,843				$0		$458,197		$458,197
				$0		$14,012		$14,012
			$315	$1,000	$2,494	$176,420		$176,420
	$122,043			$0		$770,676	-$770,676	$0
$82,217	$271,268	$187,906	$266,033	$6,329	$122,983	$4,184,174	-$770,676	$3,413,498
$2,880,691				$0		$12,815,053		$12,815,053
			$185,000	$0		$1,185,000	-$185,000	$1,000,000
$2,244,201				$0		$4,766,612	-$440,311	$4,326,301
	$443	$21	$402	$11	$36,308	$125,132		$125,132
		$69,801		$0		$481,817		$481,817
			$10,162,604	$0	$395,113	$12,570,369		$12,570,369
$5,124,892	$443	$69,822	$10,348,006	$11	$431,421	$31,943,983	-$625,311	$31,318,672
$5,207,109	$271,711	$257,728	$10,614,039	$6,340	$554,404	$36,128,157	-$1,395,987	$34,732,170
				$0				
-$1,605,647				$0	$15,336	$19,505,760		$19,505,760
$591,229				$0		$2,045,492		$2,045,492
-$122,484	$0	$0	-$5,726,296	$0	$626,452	-$3,103,159		-$3,103,159
-$1,136,902	$0	$0	-$5,726,296	$0	$641,788	$18,448,093	$0	$18,448,093
$4,070,207	$271,711	$257,728	$4,887,743	$6,340	$1,196,192	$54,576,250	-$1,395,987	$53,180,263

The accompanying Independent Auditors' Report and Notes are an integral part of this schedule.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
FINANCIAL DATA SCHEDULE (CA011)
REVENUE AND EXPENSE SUMMARY
FOR THE YEAR ENDED MARCH 31, 2017

	Public Housing (including Capital Fund)	PIH Family Self-Sufficiency Program	Community Development Block Grant	Housing Choice Vouchers	Discretely Presented Component Unit - De Anza
CFDA Number	**14.850/14.872**	**14.896**	**14.218**	**14.871**	
70300 Net Tenant Rental Revenue	$3,926,391				$2,043,704
70400 Tenant Revenue - Other	$94,072				
70500 Total Tenant Revenue	$4,020,463	$0	$0	$0	$2,043,704
70600 HUD PHA Operating Grants	$6,413,764	$140,837		$94,198,776	
70610 Capital Grants	$1,050,023				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70700 Total Fee Revenue					
70800 Other Government Grants	$5,323				
71100 Investment Income - Unrestricted	$32,498	$270		$21,836	$34,463
71200 Mortgage Interest Income					
71400 Fraud Recovery				$74,646	
71500 Other Revenue	$121,116			$1,029,345	$130,092
72000 Investment Income - Restricted				$0	
70000 Total Revenue	$11,643,187	$141,107	$0	$95,324,603	$2,208,259
91100 Administrative Salaries	$954,828		$292	$2,056,170	$153,081
91200 Auditing Fees	$35,336			$33,855	$17,544
91300 Management Fee	$833,359			$1,312,826	
91310 Book-keeping Fee	$91,699			$561,225	$12,960
91400 Advertising and Marketing					$10,851
91500 Employee Benefit contributions - Administrative	$790,011		$217	$1,189,179	$41,238
91600 Office Expenses	$341,326			$578,803	$156,346
91700 Legal Expense	$75,733			$106,468	$14,290
91800 Travel	$3,174			$326	$977
91900 Other	$11,622			$52,856	$17,280
91000 Total Operating - Administrative	$3,137,088	$0	$509	$5,891,708	$424,567
92000 Asset Management Fee	$114,120				
92100 Tenant Services - Salaries	$107,106	$180,777			
92200 Relocation Costs	$18,869				
92300 Employee Benefit Contributions - Tenant Services	$16,698	$124,710			
92400 Tenant Services - Other	$54,881			$791	
92500 Total Tenant Services	$197,554	$305,487	$0	$791	$0
93100 Water	$590,776			$6,152	$146,048
93200 Electricity	$621,917			$38,690	$21,269
93300 Gas	$137,487			$2,645	$4,167
93600 Sewer	$536,388			$1,209	$90,319
93000 Total Utilities	$1,886,568	$0	$0	$48,696	$261,803
94100 Ordinary Maintenance and Operations - Labor	$1,120,867			$72	$90,749
94200 Ordinary Maintenance and Operations - Materials and Other	$602,612			$2,614	$75,819
94300 Ordinary Maintenance and Operations Contracts	$1,434,019			$55,291	$193,989
94500 Employee Benefit Contributions - Ordinary Maintenance	$562,049			$39	$22,360
94000 Total Maintenance	$3,719,547	$0	$0	$58,016	$382,917

Blended Component Unit - Casa Del Rio	Shelter Plus Care	Rental Rehab Loan Program	Other State & Local	Section 8 Moderate Rehab	Central Office Cost Center	Subtotal	Eliminations	Total
	14.238			**14.856**				
$505,123				$0		$6,475,218	-$16,338	$6,458,880
$3,754				$0		$97,826		$97,826
$508,877	$0	$0	$0	$0	$0	$6,573,044	-$16,338	$6,556,706
	$4,530,663			$195,732	$2,000	$105,481,772		$105,481,772
				$0		$1,050,023		$1,050,023
				$0	$2,190,890	$2,190,890	-$2,190,890	$0
				$0	$114,120	$114,120	-$114,120	$0
				$0	$652,924	$652,924	-$652,924	$0
				$0	$2,957,934	$2,957,934	-$2,957,934	$0
				$0		$5,323		$5,323
$2,562	$2,145	$0	$2,725	$191	$186	$96,876		$96,876
		$1,620		$0		$1,620		$1,620
				$0		$74,646		$74,646
			$2,418,630	$0	$1,090	$3,700,273	-$2,405,670	$1,294,603
$2,757				$0		$2,757		$2,757
$514,196	$4,532,808	$1,620	$2,421,355	$195,923	$2,961,210	$119,944,268	-$5,379,942	$114,564,326
$74,432	$53,807	$709		$699	$1,277,289	$4,571,307		$4,571,307
$19,950			$315	$2,000	$4,494	$113,494		$113,494
$42,132	$44,705			$0		$2,233,022	-$2,233,022	$0
$10,320				$0		$676,204	-$663,244	$12,960
$35				$0		$10,886		$10,886
$18,188	$33,480	$255	$1,496,628	$483	$907,289	$4,476,968	-$1,876,404	$2,600,564
$32,583	$14,449	$86	$2,950	$653	$372,721	$1,499,917		$1,499,917
$3,124				$10	$31,762	$231,387		$231,387
				$1	$2,028	$6,506		$6,506
			$0	$0	$214	$81,972		$81,972
$200,764	$146,441	$1,050	$1,499,893	$3,846	$2,595,797	$13,901,663	-$4,772,670	$9,128,993
				$0		$114,120	-$114,120	$0
				$0		$287,883		$287,883
				$0		$18,869		$18,869
			$58,413	$0		$199,821	-$84,970	$114,851
	$336,833			$0	$2,624	$395,129		$395,129
$0	$336,833	$0	$58,413	$0	$2,624	$901,702	-$84,970	$816,732
$15,228				$0		$758,204		$758,204
$36,658				$8	$26,089	$744,631		$744,631
$3,956				$1	$3,176	$151,432		$151,432
$39,078				$0		$666,994		$666,994
$94,920	$0	$0	$0	$9	$29,265	$2,321,261	$0	$2,321,261
$47,893				$0		$1,259,581		$1,259,581
$44,787				$1	$4,542	$730,375		$730,375
$60,646				$11	$35,040	$1,778,996		$1,778,996
			$327,415	$0		$911,863	-$391,844	$520,019
$153,326	$0	$0	$327,415	$12	$39,582	$4,680,815	-$391,844	$4,288,971

The accompanying Independent Auditors' Report and Notes are an integral part of this schedule.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
FINANCIAL DATA SCHEDULE (CA011)
REVENUE AND EXPENSE SUMMARY
FOR THE YEAR ENDED MARCH 31, 2017
(Continued)

	Public Housing (including Capital Fund)	PIH Family Self-Sufficiency Program	Community Development Block Grant	Housing Choice Vouchers	Discretely Presented Component Unit - De Anza
CFDA Number	**14.850/14.872**	**14.896**	**14.218**	**14.871**	
95200 Protective Services - Other Contract Costs	$557,363				$64,958
95300 Protective Services - Other	$46,565			$13,627	$3,818
95000 Total Protective Services	$603,928	$0	$0	$13,627	$68,776
96110 Property Insurance	$138,961			$21,325	$50,368
96120 Liability Insurance	$2,340			$70	
96130 Workmen's Compensation	$125,465	$2,356	$5	$34,572	$11,056
96140 All Other Insurance				$4,481	
96100 Total insurance Premiums	$266,766	$2,356	$5	$60,448	$61,424
96200 Other General Expenses	$15,695			$33,043	$72,000
96210 Compensated Absences	$203,673	$24,862	$31	$156,755	
96300 Payments in Lieu of Taxes	$92,756				$25,567
96400 Bad debt - Tenant Rents	$146,703				$3,465
96000 Total Other General Expenses	$458,827	$24,862	$31	$189,798	$101,032
96710 Interest of Mortgage (or Bonds) Payable	$2,666			$107,694	$567,668
96720 Interest on Notes Payable (Short and Long Term)	$0				$30,000
96700 Total Interest Expense and Amortization Cost	$2,666	$0	$0	$107,694	$597,668
96900 Total Operating Expenses	$10,387,064	$332,705	$545	$6,370,778	$1,898,187
97000 Excess of Operating Revenue over Operating Expenses	$1,256,123	-$191,598	-$545	$88,953,825	$310,072
97200 Casualty Losses - Non-capitalized	$7,728				
97300 Housing Assistance Payments				$87,891,430	
97350 HAP Portability-In				$894,349	
97400 Depreciation Expense	$1,391,336		$8	$177,331	$1,026,181
90000 Total Expenses	$11,786,128	$332,705	$553	$95,333,888	$2,924,368
10010 Operating Transfer In	$668,197	$191,598	$528	$40,389	
10020 Operating transfer Out	-$668,197			-$198,826	
10091 Inter Project Excess Cash Transfer In	$398,917				
10092 Inter Project Excess Cash Transfer Out	-$398,917				
10100 Total Other financing Sources (Uses)	$0	$191,598	$528	-$158,437	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Expenses	-$142,941	$0	-$25	-$167,722	-$716,109
11020 Required Annual Debt Principal Payments	$0	$0	$0	$198,008	$231,346
11030 Beginning Equity	$7,811,438	$0	$25	$4,307,963	$13,576,874
11040 Prior Period Adj, Equity Transfers & Correction of Errors	$0				
11170 Administrative Fee Equity				$4,140,241	
11180 Housing Assistance Payments Equity				$0	
11190 Unit Months Available	13924			83052	2160
11210 Number of Unit Months Leased	12027			74830	2122
11270 Excess Cash	$386,477				
11620 Building Purchases	$881,904				
11640 Furniture & Equipment - Administrative Purchases	$178,745				

Blended Component Unit - Casa Del Rio	Shelter Plus Care	Rental Rehab Loan Program	Other State & Local	Section 8 Moderate Rehab	Central Office Cost Center	Subtotal	Eliminations	Total
	14.238			**14.856**				
				$0		$622,321		$622,321
$8,671				$2	$6,754	$79,437		$79,437
$8,671	$0	$0	$0	$2	$6,754	$701,758	$0	$701,758
$46,358				$37	$100,261	$357,310		$357,310
				$140	$77,271	$79,821		$79,821
	$1,171	$4		$12	$16,904	$191,545		$191,545
				$8	$4,554	$9,043		$9,043
$46,358	$1,171	$4	$0	$197	$198,990	$637,719	$0	$637,719
			$2,295	$0	$228	$123,261		$123,261
	$3,904	$38		$66	$116,195	$505,524		$505,524
$2,379				$0		$120,702		$120,702
$4,948				$0		$155,116		$155,116
$7,327	$3,904	$38	$2,295	$66	$116,423	$904,603	$0	$904,603
$107,075				$0		$785,103		$785,103
				$0		$30,000		$30,000
$107,075	$0	$0	$0	$0	$0	$815,103	$0	$815,103
$618,441	$488,349	$1,092	$1,888,016	$4,132	$2,989,435	$24,978,744	-$5,363,604	$19,615,140
-$104,245	$4,044,459	$528	$533,339	$191,791	-$28,225	$94,965,524	-$16,338	$94,949,186
				$0		$7,728		$7,728
	$4,051,687			$156,292		$92,099,409	-$16,338	$92,083,071
				$0		$894,349		$894,349
$179,108				$0	$7,166	$2,781,130		$2,781,130
$797,549	$4,540,036	$1,092	$1,888,016	$160,424	$2,996,601	$120,761,360	-$5,379,942	$115,381,418
	$7,228			$0	$5,476	$913,416	-$913,416	$0
		-$528		-$40,389	-$5,476	-$913,416	$913,416	$0
				$0		$398,917	-$398,917	$0
				$0		-$398,917	$398,917	$0
$0	$7,228	-$528	$0	-$40,389	$0	$0	$0	$0
-$283,353	$0	$0	$533,339	-$4,890	-$35,391	-$817,092	$0	-$817,092
$28,843	$0	$0	$0	$0	$0	$458,197		$458,197
-$853,549	$0	$0	-$6,259,635	$4,890	$677,179	$19,265,185		$19,265,185
				$0		$0		$0
				$0		$4,140,241		$4,140,241
				$0		$0		$0
960	3532			336		103964		103964
928	3532			321		93760		93760
				$0		$386,477		$386,477
				$0	$0	$881,904		$881,904
				$0	$0	$178,745		$178,745

The accompanying Independent Auditors' Report and Notes are an integral part of this schedule.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
SCHEDULE OF RELEVANT STATISTICS
FOR THE YEAR ENDED MARCH 31, 2017

Fiscal year ended March 31	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Number of employees	87	83	79	90	99	89	99	90	107	110
Number of clients served:										
Public Housing	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168
Housing Choice Voucher	6,236	6,371	6,297	6,287	6,359	6,400	6,359	6,234	6,400	6,394
Shelter plus Care	294	294	241	241	241	241	241	303	280	281
Section 8 Moderate Rehab	25	25	25	25	26	23	26	25	25	25
Section 8 Voucher	0	0	0	0	5	5	5	4	4	4
Component Units										
Casa Del Rio Senior Hsg	82	82	82	82	82	82	82	82	82	82
DeAnza Gardens	180	180	180	180	180	180	180	180	180	180
Total	7,985	8,120	7,993	7,983	8,061	8,099	8,061	7,997	8,139	8,134
Capital Asset Information:										
Total managed units			1,430	1,430	1,430	1,430	1,430	1,430	1,430	1,430
Total buildings	636	636	636	636	636	636	636	636	636	374
Total vehicles	48	48	46	46	46	46	46	49	49	49

By project:	Units	Bldg	Last change	Units	Bldg
11001 Martinez	50	28			
11002 Bay Point	-	1	2002	83	43
11003 Antioch	36	19			
11004 Brentwood	44	24			
11005 Pittsburgh	171	57			
11006 Richmond	71	30			
11008 Oakley	30	16			
11009a Richmond	81	44			
11009b Richmond	56	28			
11010 Rodeo	248	63			
11011 Martinez	50	1			
11012 Oakley	40	13			
11013 Bay Point	50	14			
11015 Antioch	100	4			
45001 San Pablo	100	31			
45002 San Pablo	41	1			
Total PHA	1,168	374			
Component units:					
Casa Del Rio Senior Hsg	82	1			
DeAnza Gardens	180	22	2005	180	22

The accompanying Independent Auditors' Report and notes are an integral part of this schedule.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
STATEMENT OF COMPLETED CAPITAL FUND PROGRAM PROJECT
ANNUAL CONTRIBUTIONS CONTRACT SF-182
MARCH 31, 2017

CA39P01150114

Funds approved	$	1,693,334
Funds expended		1,693,334
Excess of funds approved	$	-
Funds advanced	$	1,693,334
Funds expended		1,693,334
Excess of funds advanced	$	-

The accompanying Independent Auditors' Report and notes are an integral part of this statement.

Harn & Dolan

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Housing Authority of the
County of Contra Costa
Martinez, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the County of Contra Costa, California, as of and for the year ended March 31, 2017, and the related notes to the financial statements, which collectively comprise the Housing Authority of the County of Contra Costa, California's basic financial statements, and have issued our report thereon dated November 17, 2017. Our report includes a reference to other auditors who audited the financial statements of the blended component units and discretely presented component units, as described in our report on the Housing Authority of the County of Contra Costa, California's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the County of Contra Costa, California's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the County of Contra Costa, California's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the County of Contra Costa, California's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the County of Contra Costa, California's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Harn & Dolan

November 17, 2017

Harn & Dolan
Certified Public Accountants
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Commissioners
Housing Authority of the
County of Contra Costa
Martinez, California

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the County of Contra Costa, California's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the County of Contra Costa, California's major federal programs for the year ended March 31, 2017. The Housing Authority of the County of Contra Costa, California's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Housing Authority of the County of Contra Costa, California's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the County of Contra Costa, California's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the Housing Authority of the County of Contra Costa, California's compliance.

Opinion on Each Major Federal Program

In our opinion, the Housing Authority of the County of Contra Costa, California complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2017.

Report on Internal Control Over Compliance

Management of the Housing Authority of the County of Contra Costa, California is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the Housing Authority of the County of Contra Costa, California's internal control over compliance with the types of compliance requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the County of Contra Costa, California's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal programs that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purposes.

Harn & Dolan

November 17, 2017

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
STATUS OF PRIOR AUDIT FINDINGS
MARCH 31, 2017

The audit report for the fiscal year ended March 31, 2016, contained no audit findings.

HOUSING AUTHORITY OF THE COUNTY OF CONTRA COSTA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
MARCH 31, 2017

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	unmodified
Is a "going concern" emphasis-of-matter paragraph included in the audit report?	no
Is a significant deficiency in infernal control disclosed?	no
Is a material weakness in internal control disclosed?	no
Is a material noncompliance disclosed?	no

Federal Awards

Does the auditor's report include a statements that the auditee's financial statements include departments, agencies, or other organizational units expending $750,000 or more in Federal awards that have separate Uniform Guidance audits which are not included in this audit?	no
Dollar threshold used to distinguish between Type A and Type B programs	$ 3,000,000
Did the auditee qualified as low-risk auditee?	yes
Identification of major programs:	
Housing Choice Voucher Program	14.871
Type of auditors' report issued on compliance for major programs:	unmodified
Did the audit disclose any audit findings which the auditor is required to report in accordance with Uniform Guidance part 200.516?	no
Internal control over major programs:	
Significant deficiencies identified?	no
Any significant deficiency reported as a material weaknesses?	none reported
Are any known questioned costs reported?	no
Were prior audit findings related to direct funding shown in the Summary of Prior Audit Findings?	no

Section II - Financial Statement Findings
None

Section III - Federal Award Findings
None

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November 17, 2017

To the Board of Commissioners
and Executive Director
Housing Authority of the
County of Contra Costa
Martinez, California

We have audited the financial statements of the business-type activities of the Housing Authority of the County of Contra Costa, component unit of the County of Contra Costa, California (the Authority) for the year ended March 31, 2017. We did not audit the financial statements of the Authority's component units which were audited by other auditors and the reports were furnished to us. Professional standards require that we provide you with the following information related to our audit.

<u>Our Responsibility under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards* and the Uniform Guidance,</u>

As stated in our engagement letter dated January 24, 2017, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Housing Authority of the County of Contra Costa, California's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over the financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also, in accordance with the Uniform Guidance, we examined, on a test basis, evidence about the Authority's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the Authority's compliance with those requirements. While our audit provided a reasonable basis for our opinion, it does not provide a legal determination on the Authority's compliance with those requirements.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the Management Discussion and Analysis (MD&A), which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient audit evidence to express an opinion or provide any assurance.

We have been engaged to report on the Schedule of Expenditures of Federal Awards, the Financial Data Schedule and the Statement of Completed Capital Fund Program Project, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. We made certain inquiries of management and evaluated the form, content, and method of preparing the information to determine that the information complies with accounting principles generally accepted in the United State of America, the methods of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We have not been engaged to report on the Schedule of Relevant Statistics which accompanies the financial statements but is not RSI. Our responsibility with respect to this other information in documents containing the audited financial statements and auditor's report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information has not been audited and we did not express an opinion or provide any assurance on it.

Planned Scope and Timing of the Audit

The audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involves judgement about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatement may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We noted no material misstatement that required communication to you during our audit.

Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Disclosures

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. As described in Note 1.T. to the financial statements, the Authority considered the effect that new GASB pronouncements would have on the financial statements. Specifically, the Authority considered the effects of GASB No 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, and anticipates that the full implementation of this Statement will have a material impact on the financial statements beginning with the fiscal year ended March 31, 2018. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Authority's financial statement were:

- Allowance for uncollectible tenant accounts receivable: Management's estimate is based on past experience and subsequent collections. We inquired with management on the need for the amount of the allowances.
- Depreciation on capital assets: Management's estimate of the useful lives of its capital assets is based on historical information about similar assets, the length of time the assets are expected to meet service and technology demands, and the Authority's maintenance policy for the assets. These estimates have remained consistent for several years. We evaluated the key factors and assumption used to develop the depreciation estimates in determining that they are reasonable in relation to the financial statements taken as a whole.
- OPEB liability: Management's estimate is derived from actuarial valuations obtained from experts. We agreed the OPEB liability and the other information contained in the OPEB footnote to the amounts reported in the actuarial report dated June 24, 2016, for the period beginning April 1, 2016, by Nicolay Consulting Group. The liability was understated by approximately $177,000 as of March 31, 2017. This misstatement was not corrected due to the planned implementation of GASB No 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, during the next fiscal year.
- Net Pension Liability and the related Deferred Inflows/Outflows of Resources: Management's estimate is derived from actuarial valuations obtained from experts. We agreed these balances and other information contained in the pension plan (CCCERA) footnote to the various documentation supplied by CCCERA. This documentation included (1) CCCERA GASB 68 Actuarial Valuation Based on December 31, 2016 Measurement Date for Employer Reporting as of June 30, 2017, (2) CCCERA

GASB 68 Actuarial Valuation Based on December 31, 2015 Measurement Date for Employer Reporting as of June 30, 2016, and (3) CCCERA's CAFR as of December 31, 2016.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most significant disclosure affecting the financial statements were:

(1) The disclosure of the related parties - component units, both blended and discreetly presented, in Note 14 to the financial statements. This disclosure describes the Authority's relationship, including financial, with its component units

(2) The disclosure of the other postemployment benefits in Note 13 to the basic financial statements. This disclosure discusses post employment benefits other than the pension plan, the funding policy, the Authority's estimated unfunded liability, and the amounts currently recorded as liabilities. This footnote is significant due to the requirement of agencies to implement GASB Statement No 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, beginning fiscal year ended March 31, 2018. This GASB Statement requires all agencies to fully record all liability associated with the plan as of that date.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit
We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. An uncorrected misstatement relating to OPEB existed as of March 31, 2017, as noted earlier. Management has determined that the effects of this misstatement are immaterial to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management
For the purpose of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreement arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated November 17, 2017.

Management Consultation with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Disclosures or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the government unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.

Restriction on Use
This information is intended solely for the use of the Board of Commissioners and management of the Housing Authority of the County of Contra Costa and is not intended to be, and should not be, used by anyone other than these specified parties.

Very Truly Yours,

Harn & Dolan

Harn & Dolan, CPA's