

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
JOHN GIOIA
CANDACE ANDERSEN
DIANE BURGIS
FAY NATHANIEL
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.

ANNOTATED AGENDA & MINUTES October 17, 2017

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

CONSIDER CONSENT ITEMS: (Items listed as C.1 through C.5 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.

There were no items removed from consent.

D. 2 PUBLIC COMMENT (2 Minutes/Speaker)

There were no requests to speak at public comment.

- D.3 CONSIDER accepting an oral report on the effect the City of Richmond's proposed dissolution of their housing authority and the possible annexation of North Richmond would have on the Housing Authority of the County of Contra Costa.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE
Commissioner Fay Nathaniel	ABSENT
Commissioner Jannel George-Oden	AYE

ADJOURN

Adjourned today's meeting at 1:50 p.m.

CONSENT ITEMS:

- C.1 RATIFY the Housing Choice Voucher payment standards for the Housing Authority of the County of Contra Costa effective October 1, 2017, as recommended by the Executive Director.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE
Commissioner Fay Nathaniel	ABSENT
Commissioner Jannel George-Oden	AYE

- C.2 ADOPT Resolution No. 5206 to invest HUD and non-HUD funds according to the Housing Authority of the County of Contra Costa's Investment Policy.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE

Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE
Commissioner Fay Nathaniel	ABSENT
Commissioner Jannel George-Oden	AYE

- C.3 ADOPT Resolution No. 5207 to approve collection loss write-offs in the public housing program in the amount of \$193,229.09 for the period ending September 30, 2017.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE
Commissioner Fay Nathaniel	ABSENT
Commissioner Jannel George-Oden	AYE

- C.4 APPROVE and AUTHORIZE the Executive Director of the Housing Authority of the County of Contra Costa, or his designee, to execute a contract with Ernie's Plumbing & Sewer Service in an amount not to exceed \$250,000 to provide gas line repairs at the Housing Authority's Los Nogales public housing development in Brentwood for the period September 12, 2017 through November 22, 2017. (100% Public Housing Capital funding provided by HUD)

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE
Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE
Commissioner Fay Nathaniel	ABSENT
Commissioner Jannel George-Oden	AYE

- C.5 ADOPT the proposed 2018 meeting schedule for the Housing Authority of the County of Contra Costa Board of Commissioners, which has been coordinated with the Contra Costa County Board of Supervisors and the Contra Costa County Fire Protection District Board of Directors.

Commissioner John Gioia	AYE
Commissioner Candace Andersen	AYE
Commissioner Diane Burgis	AYE

Commissioner Karen Mitchoff	AYE
Commissioner Federal D. Glover	AYE
Commissioner Fay Nathaniel	ABSENT
Commissioner Jannel George-Oden	AYE

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.

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: October 17, 2017



Contra
Costa
County

Subject: REPORT ON THE EFFECT PROPOSED ACTIONS BY THE CITY OF RICHMOND WOULD HAVE ON THE HOUSING AUTHORITY

RECOMMENDATIONS

CONSIDER accepting an oral report on the effect the City of Richmond's proposed dissolution of their housing authority and the possible annexation of North Richmond would have on the Housing Authority of the County of Contra Costa.

BACKGROUND

Staff will provide an oral update on the effect these proposed actions would have on HACCC.

FISCAL IMPACT

If North Richmond is ever annexed by the City of Richmond, this would have no financial effect on the Housing Authority of the County of Contra Costa (HACCC).

If the City of Richmond ever dissolved their housing authority, the financial effect on HACCC would vary based on the financial condition of the Richmond Housing Authority at the time it was dissolved and the course of action taken by HACCC.

CONSEQUENCE OF NEGATIVE ACTION

None. Information item only.

Action of Board On: 10/17/2017 ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Diane Burgis, Commissioner
 Karen Mitchoff,
 Commissioner
 Federal D. Glover,
 Commissioner
 Jannel George-Oden,
 Commissioner

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: October 17, 2017

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

ABSENT: Fay Nathaniel, Commissioner

Contact: 925-957-8028

cc:

CLERK'S ADDENDUM

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: October 17, 2017



Contra
Costa
County

Subject: HOUSING CHOICE VOUCHER PAYMENT STANDARDS EFFECTIVE OCTOBER 1, 2017

RECOMMENDATIONS

RATIFY the Housing Choice Voucher payment standards for the Housing Authority of the County of Contra Costa effective October 1, 2017.

BACKGROUND

Payment standards (PS) are used to calculate the housing assistance payment (HAP), or subsidy, that a housing authority (HA) will pay on behalf of families leasing units under the program. Each HA must establish a schedule of payment standard amounts by bedroom size. The range of possible payment standard amounts is based on HUD's published fair market rent (FMR) schedule for the FMR area within which the HA has jurisdiction. HACC's payment standards are based on the FMRs for the Oakland-Fremont, CA Metro area which includes all of Alameda and Contra Costa Counties. FMRs are based on the 40th percentile of rents charged for standard housing in the FMR area. This is the dollar amount below which 40 percent of the standard-quality rental housing units are rented. HAs may set their payment standards amounts from 90% to 110% of the published FMRs without HUD approval. Payment standards can be set higher or lower than this basic range in response to market conditions with HUD approval.

The level at which the payment standards are set directly affects the amount of subsidy a family will receive, and the amount of rent paid by program participants. If the payment standard amount is too low:

Action of Board On: **10/17/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Diane Burgis, Commissioner
 Karen Mitchoff,
 Commissioner
 Federal D. Glover,
 Commissioner
 Jannel George-Oden,
 Commissioner

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ATTESTED: October 17, 2017

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

ABSENT: Fay Nathaniel, Commissioner

Contact: 925-957-8028

cc:

BACKGROUND (CONTD)

>

- Families may need to pay more for rent than they can afford; or
- Families may have a hard time finding acceptable units or units in more desirable areas; or
- Housing choices will be narrowed and the HA's efforts to affirmatively further fair housing will be undermined.

If the payment standards amounts are too high, owners may be encouraged to ask for higher than reasonable rents.

As approved by the Board on January 12, 2016, HACCC's payment standards were split into two different amounts. One payment standard was established for all cities located in East County and a second payment standard was established for the rest of the cities in HACCC's jurisdiction. This was done to give families greater access to housing opportunities in low poverty neighborhoods throughout the County and to limit the tendency for families to lease in high poverty areas concentrated in East County

The proposed payment standards are shown below. They are based on the revised, FMRs published by HUD and made effective on October 1, 2017. The proposed payment standards are also based on market data and an effort to minimize voucher concentration in East County while stemming the loss of vouchers in all other areas of HACCC's jurisdiction. The proposed payment standards for the East County cities of Antioch, Bay Point, Bethel Island, Brentwood, Byron, Discovery Bay, Knightsen and Oakley are set between 90 and 93.72% of the newly revised FMRs. It was HACCC's intention to make no changes to the 2016 Payment Standards, but a substantial increase in the FMR for four to seven bedroom units resulted in HACCC's Payment Standards falling below the HUD required range of 90% to 110% of the FMRs. Thus, while the studio to three bedroom size unit payments standards have remained the same from 2016, the larger bedroom sizes have increased to meet the minimum HUD threshold.

The proposed payment standards for the remaining portions of HACCC's jurisdiction have remained unchanged since 2016 and are now set between 96.92% to 102.62% of the FMRs. As you may recall, these payment standards were set at 110% of the FMR in 2016, but, because there was an increase in the FMR, the payment standard ratio relative to the FMR, has decreased. The proposed payment standards and the new FMRs are as follows:

EAST COUNTY - Antioch, Bay Point, Bethel Island, Brentwood, Byron, Discovery Bay, Knightsen, Oakley

	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR	7-BR
PS	\$1,435	\$1,723	\$2,173	\$3,017	\$3,552	\$4,085	\$4,617	\$5,150
FMR	\$1,540	\$1,855	\$2,329	\$3,219	\$3,946	\$4,538	\$5,130	\$5,722
% of FMR	93.18%	92.88%	93.30%	93.72%	90.02%	90.02%	90.00%	90.00%

All Other Cities Except Pittsburg and Richmond:

	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR	7-BR
PS	\$1,578	\$1,895	\$2,390	\$3,318	\$3,824	\$4,398	\$4,972	\$5,546
FMR	\$1,540	\$1,855	\$2,329	\$3,219	\$3,946	\$4,538	\$5,130	\$5,722
% of FMR	102.47%	102.16%	102.62%	103.08%	96.91%	96.91%	96.92%	96.92%

The changes will be effective October 1, 2017 since the revised FMR resulted in some of HACCC's payment standards falling out of compliance with HUD's 90% to 110% of the FMR requirement. Adjustments will be made to previously completed cases.

FISCAL IMPACT

Funding for this program is provided by the U.S. Department of Housing and Urban Development (HUD). Funding for the proposed change is provided for in the Housing Authority of the County of Contra Costa's (HACCC) current budget.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners not ratify the proposed payment standards, then HACCC will not be in compliance with HUD regulations and could be subject to financial sanctions or other penalties.

CLERK'S ADDENDUM

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: October 17, 2017



Contra
Costa
County

Subject: ANNUAL REVIEW AND APPROVAL OF INVESTMENT POLICY

RECOMMENDATIONS

ADOPT Resolution No. 5206 to invest HUD and non-HUD funds according to HACCC's Investment Policy.

BACKGROUND

California Government Code (CGC) Section 53646(a)(2)] requires staff to annually prepare and submit a statement of investment policy, and any changes thereto, to the Board of Commissioners for consideration at a public meeting.

HACCC's Investment Policy was developed following guidelines set forth both by the State and the U.S. Department of Housing and Urban Development (HUD). In general, the State's approach to investing public funds is outlined in CGC Section 53600.5, which reads as follows:

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the primary objective of a trustee shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control.

The majority of HACCC's funds are federal moneys received from HUD. When investing these moneys HACCC must follow both the broad guidelines listed above as required by the State and HUD's more specific requirements set forth in HUD PIH Notice 2002-13. It authorizes housing authorities to invest HUD funds in the following:

Action of Board On: **10/17/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Diane Burgis, Commissioner
 Karen Mitchoff,
 Commissioner
 Federal D. Glover,
 Commissioner
 Jannel George-Oden,
 Commissioner

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: October 17, 2017

, Executive Director

By: June McHuen, Deputy

ABSENT: Fay Nathaniel, Commissioner

Contact: 925-957-8028

cc:

BACKGROUND (CONTD)

- *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;*
- *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 02-13.*

Any non-HUD moneys controlled by HACCC may be invested in the following instruments permitted by the State (CGC Section 53601 et. seq.):

- *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;*
- *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.*

HACCC takes a conservative approach to investing. In the past, the majority of HACCC's available funds (over 50%) have been placed in the Local Agency Investment Fund (LAIF), an investment alternative for California's local governments and special districts that is under the oversight of the State Treasurer. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest or principal. Under Federal Law, the State of California cannot declare bankruptcy, thereby providing some assurance that the investments are secure. HACCC's remaining investments are in certificates of deposit, money market accounts and government securities.

As a result of HUD's recapture of the Section 8 housing assistance payment reserves from every housing authority, the percentage of HACCC's invested funds held by LAIF has decreased to 8.42%.

In order to monitor HACCC's compliance with the Investment Policy, staff provide the Board of Commissioners with quarterly reports showing HACCC's investments and any recent activity or changes in those investments as required by CGC Section 53646(b). Compliance with the Investment Policy is also reviewed during HACCC's independent audit. HACCC has had no findings or comments regarding its investment activity.

Staff's recommendation is to maintain HACCC's current policy (see attachment). The attached policy was originally approved by the Board in 2007.

FISCAL IMPACT

This policy requires the Housing Authority of the County of Contra Costa (HACCC) to take a prudent approach to investing and that HACCC will not make any speculative investments, considering the probable safety of the capital as well as the probable income to be derived. The primary objectives of HACCC's investment activities, in order of priority, are: safety; liquidity; return on investment.

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners elect not to adopt Resolution No. 5206 approving the Investment Policy for the Housing Authority of the County of Contra Costa, HACCC would not be in compliance with HUD regulations and California Government Code.

CLERK'S ADDENDUM

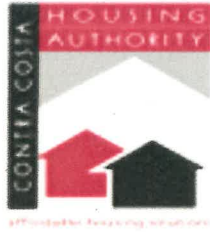
AGENDA ATTACHMENTS

Resolution No. 5206 - Investment Policy

Investment Policy

MINUTES ATTACHMENTS

Signed Resolution No. 5206



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

RESOLUTION NO. 5206

RESOLUTION APPROVING THE INVESTMENT POLICY OF THE AUTHORITY

WHEREAS, The U.S. Department of Housing and Urban Development (HUD) has established requirements governing cash management and approved investment instruments for certain funds under the control of the Public Housing Authorities; and

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern, California Government Code (Government Code) Section 53600.6; and

WHEREAS; the legislative body of a local agency may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of HUD's Public and Indian Housing Notice 02-13 and Government Code Section 53601; and

WHEREAS, the Executive Director of the Housing Authority of the County of Contra Costa (HACCC) shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board of Commissioners of the Housing Authority at a public meeting [Government Code Section 53646 (a)(2)];

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the County of Contra Costa that it shall be the policy of the HACCC to invest funds in a manner which will provide the maximum safety, liquidity and reasonable investment return while meeting the daily cash flow demands of the HACCC and conforming to all statutes governing the investment of HACCC funds.

PASSED AND ADOPTED ON __October 17 2017__ by the following vote of the Commissioners:

AYES: Gioia, Andersen, Burgis, Mitchoff, Glover, George-Oden

NOES: None

ABSENT: Nathaniel

ABSTAIN: None

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

ATTESTED: October 17 2017

Joseph Villarreal, Secretary of the Board of Commissioners
and Executive Director

By [Signature], Deputy Clerk

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

RESOLUTION NO. 5206

RESOLUTION APPROVING THE INVESTMENT POLICY OF THE AUTHORITY

WHEREAS, The U.S. Department of Housing and Urban Development (HUD) has established requirements governing cash management and approved investment instruments for certain funds under the control of the Public Housing Authorities; and

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern, California Government Code (Government Code) Section 53600.6; and

WHEREAS; the legislative body of a local agency may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of HUD's Public and Indian Housing Notice 02-13 and Government Code Section 53601; and

WHEREAS, the Executive Director of the Housing Authority of the County of Contra Costa (HACCC) shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board of Commissioners of the Housing Authority at a public meeting [Government Code Section 53646 (a)(2)];

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the County of Contra Costa that it shall be the policy of the HACCC to invest funds in a manner which will provide the maximum safety, liquidity and reasonable investment return while meeting the daily cash flow demands of the HACCC and conforming to all statutes governing the investment of HACCC funds.

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

Housing Authority of the County of Contra Costa Investment Policy

Scope

This policy covers the investment activities of all contingency reserves and cash reserves or surplus under the direct authority of HACCC.

Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent person" standard (Government Code 53600.3) and shall be applied in the context of managing an overall portfolio. The Executive Director and his designees acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes. Any information received which identifies potential security risks or market price changes of significance shall be reported in a timely fashion and efforts to control adverse developments shall be pursued.

Objective

Section 53600.5 of the Government Code outlines the primary objectives of a trustee investing public money. The primary objectives, in order of priority, of HACCC investments activities shall be:

1. Safety: Safety of principal is the foremost objective of this investment policy. Investments of the HACCC shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. Liquidity: The investment portfolio will remain sufficiently liquid to enable the HACCC to meet all operating requirements, which might be reasonably anticipated.
3. Return on Investment: Investment return becomes a consideration only after the basic requirements of safety and liquidity have been met. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles consistent with HACCC investment policy, taking into consideration investment risk constraints and cash flow characteristics of the portfolio.

Authority to manage the investment program is derived from Section 401(E) of the Annual Contribution Contract (ACC) between HUD and HACCC, and the Government Code Sections 53601, et seq. Management responsibility for the investment program is hereby delegated to the Executive Director of HACCC, who shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to safekeeping and repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and procedures established by the Executive Director. The Executive Director, as authorized by the Housing Authority Board of Commissioners, shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Executive Director is a trustee and a fiduciary subject to the prudent investor standard. (Government Code 53600.3)

Ethics and Conflicts of Interest

Officers and employees of the Housing Authority and such investment underwriters, bond counsel and other financial advisors or consultants involved in the investment process shall refrain from personal business activity which could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment recommendations and decisions.

Authorized Financial Institutions and Dealers

- A) The Executive Director will maintain a list of financial institutions that are authorized to provide investment services. Selection for placement on this list will be on the basis of credit worthiness, financial strength, experience and minimal capitalization. In addition, a list will also be maintained of approved security broker/dealers or investment bank underwriters who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.
- B) Selection: For brokers/dealers or investment bank underwriters of government securities and other investments, the Executive Director shall select only brokers/dealers or investment bank underwriters who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations; and, cannot have made any campaign contributions to any member of the Housing Authority's Board of Commissioners.

- C) Certification: Before engaging in investment transactions with a broker/dealer or investment bank underwriter, the Executive Director shall have received from said firm a signed Certification Form (See Exhibit 1). This form shall attest that the individual responsible for the Housing Authority's account with that firm has reviewed the Housing Authority's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the Housing Authority that are appropriate under the terms and conditions of the Investment Policy.

Authorized and Suitable Investments

The Housing Authority is empowered by the HUD Notice 02-13 (See Attachment A) to invest HUD funds in the following:

- A. United States Treasury Bills, Notes & Bonds.
- B. Obligations issued by Agencies or Instrumentalities of the U.S. Government.
- C. State or Municipal Depository Funds, such as the Local Agency Investment Fund (LAIF).
- D. Insured Demand and Savings Deposits, provided that deposits in excess of the insured amounts must be 100 percent collateralized by securities listed in A & B above.
- E. Insured Money Market Deposit Accounts, provided that deposits in excess of the insured amount must be 100 percent collateralized by securities listed in A & B above.
- F. Insured Super NOW Accounts, provided that deposits in excess of the insured amount must be 100 percent collateralized by securities listed in A & B above.
- G. Repurchase Agreements of any securities authorized by this Section. Securities purchased under repurchase agreements shall be no less than 102 percent of market value. (See special limits in HUD Notice 02-13 (Attachment A) and Government Code 53601.0 (Attachment B).)
- H. Reverse Repurchase Agreements of any U. S. Treasury and Federal Agency Securities in portfolio. Securities purchased under reverse repurchase agreements shall be for temporary and unanticipated cash flow needs only. (See also special limits in HUD Notice 02-13 (Attachment A) and GOVERNMENT CODE 53601.0 (Attachment B).)

Investment Policy Page 4

- I. Sweep Accounts that are 100 percent collateralized by securities listed in A & B above.
- J. Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by this Section (Money Market Mutual Funds). Such Funds must carry the highest rating of at least two national rating agencies. Not more than 15 percent or 20 percent of surplus funds can be invested in Money Market Mutual Funds.
- K. Funds held under the terms of a Trust Indenture or other contract or agreement, including the HUD/Public Housing Agency Annual Contributions Contract, may be invested according to the provisions of those indentures or contracts.
- L. Any other investment security authorized under the provisions of HUD Notice PIH 02-13.

The Housing Authority is empowered by California Government Code (Government Code) Sections 5922 and 53601 et seq. to invest non-HUD funds in the following:

- A. Bonds issued by local government agencies with a maximum maturity of five years (See Attachment 2).
- B. United States Treasury Bills, Notes & Bonds.
- C. Registered warrants, treasury notes or bonds issued by the State of California.
- D. 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.
- E. Obligations issued by Agencies or Instrumentality of the U.S. Government.
- F. Bankers Acceptances with a term not to exceed 270 days. Not more than 40 percent of surplus funds can be invested in Bankers Acceptances and no more than 30 percent of surplus funds can be invested in the bankers acceptances of any single commercial bank.
- G. 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. Commercial paper cannot exceed 15 percent of total surplus funds, provided, that if the average maturity of all Commercial paper does not exceed 31 days, up to 30 percent of surplus funds can be invested in Commercial paper.

- H. Repurchase Agreements of any securities authorized by this Section. Securities purchased under repurchase agreements shall be no less than 102 percent of market value. (See special limits in Government Code 53601(Attachment B).)
- I. Reverse Repurchase Agreements of any U. S. Treasury and Federal Agency Securities in portfolio. Securities purchased under reverse repurchase agreements shall be for temporary and unanticipated cash flow needs only. (See also special limits in Government Code 53601.0 (Attachment B).)
- J. Medium term notes (not to exceed 2 Years) of U.S. corporations rated "A" or better by Moody's or S&P. Not more than 30 percent of surplus funds can be invested in medium term notes.
- K. Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by this Section. (Money Market Mutual Funds) Such Funds must carry the highest rating of at least two national rating agencies. Not more than 15% of surplus funds can be invested in Money Market Mutual Funds.
- L. 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.
- M. Collateralized bank deposits with a perfected security interest in accordance with the Uniform Commercial Code (UCC) or applicable federal security regulations.
- N. Any mortgage pass-through security, collateralized mortgage obligation, mortgaged backed or other pay-through bond, equipment lease-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. No more than 30% of surplus funds can be invested in this category of securities.
- O. Any other investment security authorized under the provisions of Government Code 5922 and 53601.

Attachment A, HUD Approved Investment Instruments, and Attachment B, Government Code Section 53601, also provide a detailed summary of the limitations and special conditions that apply to each of the above listed investment securities. These attachments are included by reference in this investment policy.

Under the provisions of Government Code Section 53631.5, the Housing Authority shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only STRIPS derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity. In addition the provisions of Government Code Section 53601 et seq applies.

Collateralization

All certificates of deposits must be collateralized by U.S. Treasury Obligations. Collateral must be held by a third party and valued on a monthly basis. The percentage of collateralization on repurchase agreements will conform to the amount required under Government Code 53601(I)(2).

Safekeeping and custody

All security transactions entered into by the Housing Authority shall be conducted during the normal business hours of the Housing Authority, on Housing Authority premises and on a delivery-versus-payment (DVP) basis. Only during an extreme emergency shall security transactions be conducted during non-business Housing Authority hours, not on Housing Authority premises. All securities purchased or acquired shall be delivered to the Housing Authority by book entry, physical delivery or by third party custodial agreement. (Government Code 53601)

Diversification

It is the policy of the Housing Authority to diversify its investment portfolio. The Housing Authority will diversify its investments by security type and, within each type, by institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following guidelines shall apply:

- A) Portfolio maturities shall be matched against projected liabilities to avoid an over concentration in a specific series of maturities.
- B) Maturities selected shall provide for stability and liquidity.
- C) Disbursement and payroll dates shall be covered by the scheduled maturity of specific investments, marketable U.S. Treasury Bills or notes or other cash equivalent instruments, such as money market mutual funds.

The Executive Director shall submit to each member of the Housing Authority Board of Commissioners a quarterly investment report. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed by third party contractors. The report will also include the source of the portfolio valuation. In the case of funds invested in The Local Agency Investment Fund (LAIF), Federal Deposit Insurance Corporation (FDIC) accounts or county investment pools, current statements from those institutions will satisfy the above reporting requirement. The report will also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and; (2) the Housing Authority will meet its expenditure obligations for the next six months. (Government Code 53646(b)). The Executive Director and/or his designee shall maintain a complete and timely record of all investment transactions.

Investment Policy Adoption

The Investment Policy shall be adopted by resolution by the Housing Authority Board of Commissioners. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the Housing Authority Board of Commissioners.

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: October 17, 2017



Contra
Costa
County

Subject: COLLECTION LOSS WRITE-OFF FOR THE PERIOD ENDING SEPTEMBER 30, 2017

RECOMMENDATIONS

ADOPT Resolution No. 5207 to approve collection loss write-offs in the public housing program in the amount of \$193,229.09 for the period ending September 30, 2017.

BACKGROUND

The requested collection loss write-off reflects a total of 82 accounts for an average of \$2,356.45 per account.

Prior to submission of an account for write-off, staff makes every effort to collect money owed to HACCC. Once an account is written-off, it may be referred to a collection agency for further repayment efforts. Past participants who owe HACCC, or any other housing authority, money may be denied admission to the public housing or housing choice voucher programs in the future unless the debt is repaid. Past participants can be denied admission in the future even if their debt has been written off.

FISCAL IMPACT

Uncollectible accounts impact on the budget by reducing total rental income. The Housing Authority of the County of Contra Costa (HACCC) regularly writes off those accounts that have been determined to be uncollectible. Once an account is written off, it can be turned over to a collection agency. For the period ending Sept. 30, 2017, the collection loss write-off total is \$193,229.09.

Action of Board On: **10/17/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Diane Burgis, Commissioner
 Karen Mitchoff,
 Commissioner
 Federal D. Glover,
 Commissioner
 Jannel George-Oden,
 Commissioner

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: October 17, 2017

Joseph Villarreal, Executive Director

By: Jami Napier, Deputy

ABSENT: Fay Nathaniel, Commissioner

Contact: 925-957-8028

cc:

CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners elect not to adopt Resolution No. 5207 these accounts would inflate the total accounts receivable for HACCC and present an inaccurate financial picture.

AGENDA ATTACHMENTS

Resolution No. 5207: Collection Write Off

Vacated Collection Loss Write Off Memo

MINUTES ATTACHMENTS

Signed Resolution No. 5207

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

RESOLUTION NO. 5207

RESOLUTION APPROVING COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$193,229.09 FOR THE
PERIOD ENDING SEPT. 30, 2017

WHEREAS, a certain vacated tenant accounts have been determined to be uncollectable by management; and

WHEREAS, these tenant accounts may have been, or may be, turned over to a collection agency for continued collection efforts;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the County of Contra Costa that the following amounts be written off for collection loss for period ending Sept. 30, 2017

	Conventional Program
Dwelling Rent	\$113,764.55
Legal Charges	\$1,355.00
Maintenance & Other Charges	\$78,109.54
TOTAL	\$193,229.09

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

MEMORANDUM

TO: Joseph Villarreal, Executive Director

FROM: Elizabeth Campbell, Director of Managed Housing Programs

SUBJECT: Vacated Collection Loss Write-Offs

DATE: SEPTEMBER 30, 2017

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

PROJECT	RENT	LEGAL	MAINTENANCE	TOTAL	TENANT ACCOUNTS
Alhambra Terr. Martinez CAL 11-1	\$180.00	-0-	\$805.96	\$985.96	2
Bridgemont, Antioch CAL 11-3	-0-	-0-	-0-	-0-	0
Los Nogales, Brentwood CAL 11-4	\$313.00	-0-	-0-	\$313.00	1
El Pueblo, Pittsburg CAL 11-5	\$6,825.12	-0-	\$5,746.27	\$12,571.39	12
Las Deltas, N. Richmond CAL 11-6	\$1,075.00	-0-	\$1,365.98	\$2,440.98	2
Los Arboles, Oakley CAL 11-8	\$376.99	-0-	\$1,510.45	\$1,887.44	2
Las Deltas, N. Richmond CAL 11-9A	\$14,051.64	\$290.00	\$4,382.62	\$18,724.26	7
Las Deltas, N. Richmond CAL 11-9B	\$204.00	-0-	\$1,533.50	\$1,737.50	4
Bayo Vista, Rodeo CAL 11-10	\$53,261.06	-0-	\$36,429.88	\$89,690.94	23
Hacienda, Martinez CAL 11-11	\$55.00	-0-	-0-	\$55.00	1
Casa de Manana, Oakley CAL 11-12	\$705.92	-0-	\$1,997.26	\$2,703.18	4
Casa de Serena Bay Point CAL 11-13	\$4,871.36	-0-	\$2,096.01	\$6,967.37	3
Elder Winds, Antioch CAL 11-15	\$4,153.00	\$50.00	\$13,402.28	\$17,605.28	4
Vista del Camino San Pablo 4501	\$24,170.86	\$580.00	\$4,342.23	\$29,093.09	9
Kidd Manor, San Pablo 4502	\$3,521.60	\$435.00	\$4,497.10	\$8,453.70	8
TOTALS:	\$113,764.55	\$1,355.00	\$78,109.54	\$193,229.09	82



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

RESOLUTION NO. 5207

**RESOLUTION APPROVING COLLECTION LOSS WRITE-OFF IN THE AMOUNT OF \$193,229.09 FOR THE
PERIOD ENDING SEPT. 30, 2017**

WHEREAS, a certain vacated tenant accounts have been determined to be uncollectable by management; and

WHEREAS, these tenant accounts may have been, or may be, turned over to a collection agency for continued collection efforts;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the County of Contra Costa that the following amounts be written off for collection loss for period ending Sept. 30, 2017

	Conventional Program
Dwelling Rent	\$113,764.55
Legal Charges	\$1,355.00
Maintenance & Other Charges	\$78,109.54
TOTAL	\$193,229.09

PASSED AND ADOPTED ON October 17 2017 by the following vote of the Commissioners:

AYES: Gioia, Andersen, Burgis, Mitchoff, Glover, George-Oden

NOES: None

ABSENT: Nathaniel

ABSTAIN: None

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

ATTESTED:

October 17 2017
Joseph Villarreal, Secretary of the Board of Commissioners
and Executive Director

By [Signature], Deputy Clerk

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: October 17, 2017



Contra
Costa
County

Subject: CONTRACT WITH ERNIE'S PLUMBING & SEWER SERVICE TO REPAIR GAS LINES AT LOS NOGALES IN BRENTWOOD

RECOMMENDATIONS

APPROVE and AUTHORIZE the Executive Director of the Housing Authority of the County of Contra Costa, or his designee, to execute a contract with Ernie's Plumbing & Sewer Service in an amount not to exceed \$250,000 to provide gas line repairs at the Housing Authority's Los Nogales public housing development in Brentwood for the period September 12, 2017 through November 22, 2017.

BACKGROUND

Gas leaks were detected by HACCC maintenance staff at 2 units in Los Nogales. The gas leaks were determined to be caused by defective valves for the washing machines that led to leaking water corroding the gas pipes. The design of the property meant that such conditions could be replicated at other units at Los Nogales. As a result, an outside plumbing service was brought in to test the remaining 42 units at Los Nogales (44 units total).

A small access hatch exists in 35 of the remaining units that allowed the plumbing contractor to survey the gas pipes for damage. Of the 35 units surveyed, 16 were determined to have significant corrosion and must be replaced. This process is nearing completion. It has also involved replacing faulty gas valves and water heaters that did not survive the draining/refilling process and expanding the access hatches to allow a repair person to reach the gas line. The remaining 9 units had to have access hatches cut into their walls before the gas lines could be tested. Testing of the pipes at these 9 units is underway.

The \$250,000 not to exceed amount is based on the work already underway and a worst-case scenario projection of the units still being tested.

Action of Board On: 10/17/2017 ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Diane Burgis, Commissioner
 Karen Mitchoff,
 Commissioner
 Federal D. Glover,
 Commissioner
 Jannel George-Oden,
 Commissioner

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: October 17, 2017

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

ABSENT: Fay Nathaniel, Commissioner

Contact: 925-957-8028

cc:

FISCAL IMPACT

The Housing Authority's (HACCC) total cost for this service will not exceed \$250,000. Funding for this contract is included in HACCC's current budget using the public housing capital funding provided by the U.S. Department of Housing and Urban Development.

CONSEQUENCE OF NEGATIVE ACTION

If the Board of Commissioners does not approve this contract, work will cease on this project and further gas leaks may occur.

CLERK'S ADDENDUM

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: October 17, 2017



Contra
Costa
County

Subject: PROPOSED 2018 MEETING SCHEDULE FOR THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

RECOMMENDATIONS

ADOPT the proposed 2018 meeting schedule for the Housing Authority of the County of Contra Costa Board of Commissioners, which has been coordinated with the Contra County County Board of Supervisors and the Contra Costa County Fire Protection District Board of Directors:

January 16
 February 13
 March 13
 April 10
 May 22
 June 12
 July 10
 August 7
 September 18
 October 9
 November 13
 December 11

Action of Board On: **10/17/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia, Commissioner
 Candace Andersen,
 Commissioner
 Diane Burgis, Commissioner
 Karen Mitchoff, Commissioner
 Federal D. Glover,
 Commissioner
 Jannel George-Oden,
 Commissioner

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: October 17, 2017
 Joseph Villarreal, Executive Director

ABSENT: Fay Nathaniel, Commissioner

By: June McHuen, Deputy

Contact: Joseph Villarreal
 925.957.8011

cc:

BACKGROUND

Each year, the Board of Commissioners adopts a meeting schedule that designates regular meeting dates and any dates on which meetings must be canceled in anticipation that a quorum of the Board will not be present. In order to provide for at least one monthly meeting, the proposed schedule works around those Tuesdays that fall during a week with a holiday, the fifth Tuesday of a month, and Tuesdays that fall during those weeks in March, May, July, and November in which the annual policy and legislative meetings of the National Association of Counties (NACo) and the California State of Counties (CSAC) are attended by one or more of our Commissioners. The proposed meeting schedule provides 12 meetings for the Board of Commissioners and has been coordinated with the Contra Costa County Board of Supervisors and the Contra Costa County Fire Protection District. The proposed meeting schedule recognizes the time demands on the Board members due to their participation on committees, and numerous regional and local legislative bodies and task forces, which require preparation, attendance, and involve travel. There are legal provisions to schedule a special meeting to address any urgent need that cannot be accommodated in the standing meeting schedule.

The 2018 proposed meeting schedule has been prepared in consultation with the incoming Board Chair, the County Administrator, and the Fire Chief, and is recommended for the Board's adoption. The Board of Supervisors has already adopted its schedule, and the Fire District will take independent action to adopt its meeting schedule.

CLERK'S ADDENDUM