CITY OF PITTSBURG
AGENDA

JANUARY 18, 2022

CITY HALL COUNCIL CHAMBER
65 CIVIC AVENUE, PITTSBURG, CA

SPECIAL MEETING
5:45 P.M.

CLOSED SESSION
6:00 P.M.

REGULAR MEETINGS
7:00 P.M.

CITY COUNCIL
HOUSING AUTHORITY
PITTSBURG ARTS AND COMMUNITY FOUNDATION
PITTSBURG POWER COMPANY
SOUTHWEST PITTSBURG GEOLOGIC HAZARD ABATEMENT DISTRICT II SUCCESSOR AGENCY

PRESIDING

Holland Barrett White, Mayor/Chair
Shanelle Scales-Preston, Vice- Mayor/Chair
Juan Antonio Banales, Council Member/Board Member
Jelani Killings, Council Member/Board Member
Marilyn "Merl" Craft, Council Member/Board Member

FOR HOUSING AUTHORITY:
S.L. Floyd, Housing Authority Member
Annie Hill Herring, Housing Authority Member

Pittsburg City Council meetings are held the first and third Mondays of each month at 7:00 p.m. The Housing Authority meets in conjunction with the City Council on the third Monday of each month. The Pittsburg City Council meets regularly in the Council Chamber at 65 Civic Avenue, unless otherwise noted above. The City Council also sits as the Board of Directors of several other City agencies. The stipends for all agency members conform to state statutes governing compensation amounts. All other Agencies meet on an as needed basis and will be listed above if applicable. Copies of the open session agenda packets, which are distributed to the City Council, are on file in the office of the City Clerk, 65 Civic Avenue, Pittsburg, California, and are available for public inspection, beginning 72 hours in advance, during normal business hours (8:00 a.m. – 5:00 p.m., Monday through Friday, except from noon to 1:00 p.m. and City holidays). The agenda and reports are also located on the City's website at www.pittsburgca.gov. Additionally, if any reports or documents, which are public records, are distributed to the City Council less than 72 hours before the meeting, those reports and documents will also be available for public inspection in the City Clerk's Office and on the day of the meeting in the Council Chamber at the public counter area below the dais.

5:45 P.M. - SPECIAL MEETING OF THE CITY COUNCIL, PITTSBURG HOUSING AUTHORITY, PITTSBURG ARTS AND COMMUNITY FOUNDATION, PITTSBURG POWER COMPANY, SUCCESSOR AGENCY AND SOUTHWEST PITTSBURG GHAD II

PUBLIC COMMENTS

CONSIDERATION

1. Adoption of Resolutions Making Findings in Support of Continuing to Hold Public Meetings by Teleconference Pursuant to California Government Code Section 54953(e)

   Assembly Bill 361 (AB 361) amended the Brown Act to allow local legislative bodies to continue to meet remotely during proclaimed states of emergency under specified conditions. Findings must be made every 30 days.

ADJOURNMENT to Regular Meeting

AUDIENCE REMARKS

The Audience Remarks period is for the public to comment on any items scheduled to be heard during the Closed Session portion of the meeting, if applicable.

6:00 P.M. - CONVENE IN CLOSED SESSION

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Section 54956.8:

   Property: Southwest corner of Center Drive and Railroad Avenue (APN 086-100-045); Negotiator for the City of Pittsburg: Garrett Evans and Maria Aliotti; Negotiating Party: Stay Cal Pittsburg, LLC; Under Negotiations: Both price and terms of payment

3. CONFERENCE WITH LABOR NEGOTIATORS Pursuant to Section 54957.6:

   City designated representatives: Garrett Evans, Stacy Shell, Charles Sakai, Sloan Sakai Yeung & Wong LLP

   Employee organizations: American Federation of State, County, and Municipal Employees Local 512 Management/Professional/Confidential Unit and Miscellaneous A Unit; Pittsburg Police Officers' Association; Pittsburg Police Managers Group; Teamsters Local 856; International Brotherhood of Electrical Workers Local 1295

   Unrepresented employees: Management Group; Senior Executive Team

7:00 P.M. - CONVENE IN OPEN SESSION FOR REGULAR MEETING

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

PROCLAMATIONS

4. Martin Luther King Jr. Day

5. Human Trafficking Awareness Month

PRESENTATION

6. Presentation by Dr. Gary Manross from Strategy Research Institute

PUBLIC COMMENTS

See Public Advisory.

CITY MANAGER REPORTS/REMARKS

The City Manager may make brief announcements or informal comments at this time and brief the Council on items of interest. (No Action Required)

COMMITTEE REPORTS

Council Members may make a report on their committee assignments at this time. (see attached list of adhoc committees and other public agencies in which Council members particiapte). (No Action Required)

HOUSING AUTHORITY

PUBLIC HEARING

7. Adoption of a Housing Authority Resolution Approving the Housing Authority of the City of Pittsburg Administrative Plan for 2021

   As required compliance to the U. S. Department of Housing and Urban Development ("HUD"), the Housing Authority of the City of Pittsburg (the "Housing Authority") has revised its Administrative Plan to incorporate significant modifications or amendments to policies which address the delivery of housing services in the community. The Administrative Plan outlines the policies and procedures of the Housing Authority.

CONSENT CALENDAR

8. Minutes of November 15, 2021, Minutes of November 29, 2021

9. Disbursement List of October 31, 2021 and November 30, 2021

10. Adoption of a Housing Authority Resolution Approving the 2022 Utility Allowance Schedule

    The U S Department of Housing and Urban Development (HUD) requires

housing authorities to review allowances for tenant-furnished utilities and other services annually and determine a utility allowance schedule (Schedule). Pursuant to 24 CFR 982.517 (4)(c), this Schedule must be revised whenever there is an increase of ten percent (10%) or more in the utility rates since the last revision of the Schedule. The Housing Authority of Pittsburg (Housing Authority) has revised the Utility Allowance Schedule for 2022 (the "2022 UA Schedule") to reflect a ten percent (10%) increase in utility rate costs.

HOUSING AUTHORITY MEMBER REMARKS

ADJOURNMENT OF THE HOUSING AUTHORITY

CITY COUNCIL MEETING

CONSIDERATION

11. Adoption of a City Council Resolution Approving the City of Pittsburg Economic Development Strategic Plan

    In March 2020, the City embarked on development of an Economic Development Strategic Plan ("Plan") intended to guide the goals, actions, and priorities of the Economic Development Division. The Plan is being brought before the City Council for adoption.

12. Adoption of a City Council Resolution to Accept Grant Funds from Keller Canyon Mitigation Fund for FY 21/22 Recreation Programs

    The City of Pittsburg has been awarded grants totaling $10,000 supporting recreation programs benefiting programs offered at the City's Senior Center. Staff is requesting adoption of a resolution to accept the grants and allocate the funds to the FY 2021-22 Recreation budget.

CONFLICT OF INTEREST STATEMENT

City Council/Agency Members may make any conflict of interest declarations pertaining to Consent Calendar items at this time.

COMBINED CITY COUNCIL, PITTSBURG ARTS AND COMMUNITY FOUNDATION, PITTSBURG POWER COMPANY, SUCCESSOR AGENCY AND SOUTHWEST PITTSBURG GHAD II CONSENT CALENDAR

13. Minutes of December 20, 2021

14. Adoption of a Pittsburg Power Company Resolution Accepting Project 5822 Causeway Bridge Coupling Replacement Project as Complete, Authorizing Pittsburg Power Company to File a Notice of Completion, and Approving an Addition to the Total Project Budget

    Pittsburg Power Company (PPC) provides electricity and natural gas retail service on Mare Island, Vallejo in the name of Island Energy. PPC proposes to increase the approved Causeway Bridge Coupling Replacement Project

(Project) budget as a result of scope and cost increases incurred once the Project was underway. The Project is complete.

15. Adoption of a Successor Agency Minute Order Approving the July 1, 2022 – June 30, 2023 Recognized Obligation Payment Schedule

    The Successor Agency for the Redevelopment Agency of the City of Pittsburg (Successor Agency) has prepared its Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2022 – June 30, 2023 (ROPS 22-23), pursuant to AB 26x1, also referred to as the “Dissolution Act”.

16. Adoption of a City Council Resolution Accepting the Plans and Specifications, Allocating Funds and Awarding Project 2227, Traffic Signal Improvement Project

    The City has been awarded a Highway Safety Improvement Program (HSIP) grant in the amount of $1,065,600 for Project 2227, Traffic Signal Improvement Project (the “Project”) to improve traffic signal hardware at 35 signalized intersections in the City. If approved, this Resolution will accept the plans and specifications for the project and authorize the City Manager to award a construction contract to Bear Electric Solutions of Alviso, California.

17. Adoption of a City Council Resolution Allocating Funds and Authorizing Agreements for Consulting Services for Design of Project 3080, Delta View Sports Park

    Project 3080, Delta View Sports Park (the "Project"), is for design and construction of three sports fields, restrooms, parking lot and lighting on the south side of West Leland Road on a portion of City property formerly used as a municipal golf course. This resolution will allocate funding and authorize the City Manager to and negotiate contracts for design and project management in an amount not to exceed $500,000.

18. Receive and File the Annual Comprehensive Financial Report (ACFR) and the Transportation Development Act Article III Audit Report (TDA) for the Fiscal Year Ended June 30, 2021

    The Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021, has been completed and complies with the Governmental Accounting Standards Board (GASB) reporting requirements. The City has received an unqualified or “clean opinion” by the City’s auditing firm, Maze and Associates, Certified Public Accountants (Maze).

19. Adoption of a City Council Resolution Authorizing the Acceptance and Appropriation of State of California Tobacco Law Enforcement Grant Funds

    The Pittsburg Police Department is seeking City Council authorization to accept and appropriate grant funds from the State of California Tobacco Law Enforcement Program; made available through the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Prop. 56) and administered by the California Department of Justice (DOJ) to support local efforts to reduce

the illegal sale of tobacco products to minors.

20. Adoption of City Council Resolution Allocating Funds and Awarding a Purchase Contract for a 2022 420 Backhoe Loader

    The City maintains a fleet of vehicles and equipment necessary for police operations and for maintenance of the City's infrastructure, including a Backhoe Loader that needs replacement. If approved, this resolution will allocate funds and authorize a purchase contract for a new 2022 Caterpillar 420 Backhoe Loader.

COUNCIL REQUEST FOR FUTURE AGENDA ITEMS

Council Members may request items to be considered for future agendas. An item will only be brought forward with a majority vote and will appear on a future agenda with staff recommendations for further Council consideration.

COUNCIL MEMBER REMARKS

Council Members may make brief announcements or informal comments at this time. (No Action Required)

ADJOURNMENT to January 29, 2022

PUBLIC ADVISORY:
THE CITY COUNCIL CHAMBER WILL NOT BE OPEN TO THE PUBLIC

This meeting will be held in compliance with California Government Code Section 54953(e)(2), which was added by Assembly Bill 361 which became effective Oct. 1, 2021, pursuant to the Governor's Executive Order N-15-21. On November 29, 2021, the City Council authorized hybrid meetings of the City Council and Commissions upon findings made in Resolution 21-13997 as required by state law. In addition, all Boards authorized teleconferenced meetings. City Council Members/Board Members/Commissioners and appropriate staff will be participating virtually via Zoom. The Public will continue virtual participation via Zoom. Pursuant to Government Code Section 54953(e)(3), the Council/Board/Commission authorization is effective for 30 days and may be extended every 30 days if the Council/Board/Commission makes required findings.

The public is invited to watch and participate in meetings via the methods listed below:

Watch the live meeting via the City's webcast (www.pittsburgca.gov), or on Delta TV Comcast Channel 32, or Delta TV AT&T U-Verse Channel 99.

Members of the public may comment live via Zoom video conferencing. Download Zoom from its website: www.zoom.com. Zoom also allows you to join the meeting by phone. Join the meeting at any point but be sure you are in the meeting prior to the City Council/Board/Commission consideration of the item on which you would like to provide comment.

From a PC, Mac, iPad, iPhone or Android:

- Webinar ID: **811 2886 4112**
- Passcode: **106491**
- By phone: **US: +1-669-900-6833 or +1346-348-7799**

Speakers are asked to provide their name and city of residence for the record, although providing this is not required for participation.

Each speaker will be afforded up to 3 minutes to speak (at the discretion of the Mayor/Chair).

When the Mayor/Chair opens a public comment period on the item on which you would like to comment, please use the "Raise Hand" feature (or press *9 if connecting via telephone) which will alert staff that you have a comment to provide. You will be invited to speak when it is your turn. Speakers will be muted until their opportunity to provide public comment. You will not be seen or heard until it is your turn to speak. You will be muted again after the allotted time to speak. Just as in a live meeting inside the Council Chamber, only one comment per agenda item per person is allowed.

When making public comment during the meeting, please

1. Try to be in a room or space without a lot of background noise.
2. Mute your microphone until it is your turn to speak, then mute your speakers while speaking.
3. Have a strong, reliable internet connection or cell phone signal.

In the event of a disruption which prevents the City Council/Board/Commission from broadcasting the meeting to the public or from receiving public comment, no further action will be taken at the meeting.

Written comments provided by the public will be accepted and given to the Council/Board/Commission although they will not be read at the meeting.

NOTICE TO PUBLIC

GENERAL INFORMATION

Copies of the open session agenda packets, which are distributed to the City Council, are on file in the office of the City Clerk, 65 Civic Avenue, Pittsburg, California, and are available for public inspection, beginning 72 hours in advance, during normal business hours (8:00 a.m. – 5:00 p.m., Monday through Friday, except City holidays). The full packets are also located on the City's website at www.pittsburgca.gov. If any reports or documents, which are public records, are distributed to the City Council less than 72 hours before the meeting, those reports or documents will be available for public inspection in the City Clerk's Office and on the day of the meeting in the Council Chamber at the public counter area below the dais.

SPEAKER'S CARD

Members of the audience who wish to address the City Council on issues that are not scheduled for the agenda and on any items listed as part of the agenda should complete a Speaker's Card available at the dais. Please read the card carefully in order to fill out the card properly. Submit the completed card to the City Clerk before the item is called, preferably before the meeting begins. Individuals will be given up to three minutes to address the Council unless additional time is allowed as provided for spokespersons. Speakers are not permitted to yield their time to another speaker. Prior to speaking, each member of the public shall state their name and business and City of residence in a clear and audible tone of voice. Pursuant to the Brown Act, no action may be taken by the City Council on items not already scheduled on the agenda; however, the City Council may refer your comments/concerns to staff or request that the item be placed on a future agenda.

PUBLIC HEARINGS

Persons who wish to speak on Public Hearings listed on the agenda will be heard when the Public Hearing is opened, except on Public Hearing items previously heard and closed to public comment. After the public has commented, the item is closed to public comment and brought to the Council/Agency level for discussion and action. Further comment from the audience will not be received unless requested by the Council/Agency.

There is a 90-day limit for the filing of a challenge in the Superior Court to certain City administrative decisions and orders which require a hearing by law, the receipt of evidence, and the exercise of discretion. The 90-day limit begins on the date the decision is final (Code of Civil Procedure Section 1094.6). Further, if you challenge an action taken by the City Council in court, you may be limited, by California law, including but not limited to Government Code Section 65009, to raising only those issues you or someone else raised in the public hearing, or in written correspondence delivered to the City Council prior to or at the public hearing. The City Council may be requested to reconsider a decision if the request is made prior to the next City Council meeting, regardless of whether it is a regular or special meeting.

NOTICE TO THE DISABLED AND VISUALLY OR HEARING IMPAIRED

In compliance with the Americans with Disabilities Act, the City of Pittsburg will provide special assistance for disabled citizens. Upon request, an agenda for any meeting shall be made available in appropriate alternative formats. The Council Chamber is equipped with sound amplifier units for use by the hearing impaired. The units operate in conjunction with the Chamber's sound system. You may request the sound amplifier from the City Clerk for personal use during Council meetings. If you need special assistance to participate in this meeting, or are requesting a specially formatted agenda, please contact the City Clerk at 925-252-4850. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting or provide the requested agenda format. (28 CFR 35.102-35.104 ADA Title II)

DISRUPTIVE CONDUCT

The Council requests that you observe the order and decorum of our Council Chamber by turning off or setting to vibrate all cellular telephones and electronic devices, and that you refrain from making personal, impertinent, or slanderous remarks. Boisterous and disruptive behavior while the Council is in session, and the display of signs in a manner which violates the rights of others or prevents others from watching or fully participating in the Council meeting, is a violation of our Municipal Code and any person who engages in such conduct can be ordered to leave the Council Chamber by the Mayor.

LIVE MEDIA BROADCASTING ADVISEMENT

City Council meetings are webcast live on the City's website at www.pittsburgca.gov on the Streaming Media page. Past meetings are also archived on that webpage. Watch the live meeting via the City's webcast (www.pittsburgca.gov), or on Delta TV Comcast Channel 32, or Delta TV AT&T U-Verse Channel 99. For more information, please contact the City Clerk's office at 252-4850.

City Council Outside Agency / Liaison / Sub-Committees Assignments - 2022

Updated December 20, 2021

OUTSIDE AGENCY BOARDS	COUNCIL MEMBER(S)	TYPE	MEETS	STAFF
ABAG	Shanelle Scales-Preston / Holland White Alt.	Standing	Annual	G. Evans
Delta Diablo**	Juan Banales / Shanelle Scales-Preston Alt.	Standing	2nd Wednesday	R. Abono
East Co. Co. County Habitat Conservancy	Juan Banales / Jelani Killings Alternate	Standing	Monthly	Planning
East County Water Management	Juan Banales / Jelani Killings Alternate	Standing	Annual	R. Abono
MCE Clean Energy Board	Shanelle Scales-Preston / Holland White Alt.	Standing	4 Per Year	D. Buchanan
TRANSPLAN / ECCRFFA	Holland White / Juan Banales Alternate	Standing	2nd Thursday	R. Abono
Tri-Delta Transit (2 reps)***	S. Scales-Preston & Merl Craft / Jelani Killings Alt.	Standing	Last Wednesday	R. Abono

LIAISON TO	COUNCIL MEMBER(S)	TYPE	MEETS	STAFF
East Bay League of Calif. Cities	Shanelle Scales-Preston / Merl Craft Alt.	Standing	3rd Thursday	*Rotational
Mayor's Conference	Holland White / Shanelle Scales-Preston Alt.	Standing	1st Thursday	G. Evans
School Districts Committee (2x2)	Shanelle Scales-Preston & Merl Craft / Jelani Killings Alt.	Standing	2nd Thursday even months	G. Evans

SUBCOMMITTEES	COUNCIL MEMBER(S)	TYPE	MEETS	STAFF
American Rescue Plan Act (ARPA)	Holland White / S. Scales-Preston / Juan Banales Alt.	Ad Hoc	As needed	G. Evans
CAC CDBG Subcommittee	S. Scales-Preston & Jelani Killings / Holland White Alt.	Standing	As needed	M. Aliotti
City Council Policy and Procedures Review	Juan Banales & Merl Craft	Ad Hoc	As needed	G. Evans
City Infrastructure and Transportation (2)	S. Scales-Preston & Juan Banales / Holland White Alt.	Standing	As needed	G. Evans
Community Services Subcommittee	Merl Craft & Shanelle Scales-Preston / Juan Banales Alt.	Standing	As needed	M. Aliotti
Constituent Management Services	S. Scales-Preston & Juan Banales / Holland White Alt.	Ad Hoc	As needed	G. Evans
Government Performance Subcommittee	Holland White & Jelani Killings	Ad Hoc	As needed	G. Evans
Hills Committee	Juan Banales & Jelani Killings / Merl Craft Alt.	Ad Hoc	As needed	G. Evans
Pittsburg Recognition Committee	Holland White / Shanelle Scales-Preston Alt.	Standing	As needed	J. Hecht
Economic Develop/Waterfront Subcommittee	Jelani Killings & Holland White / S. Scales-Preston Alt.	Standing	As needed	J. Davis
Finance Subcommittee (1)	Juan Banales & Holland White / S. Scales-Preston Alt.	Standing	As needed	P. Rodrigues
Land Use Subcommittee (3)	Juan Banales & Holland White / S. Scales-Preston Alt.	Standing	As needed	J. Davis
Pittsburg Arts & Community Foundation	Merl Craft & S. Scales-Preston / Jelani Killings Alt.	Standing	As needed	G. Evans
Pittsburg Police Activities League (PAL)	Holland White & S. Scales-Preston / Jelani Killings Alt.	Standing	Monthly	B. Addington
Power Company Advisory	Holland White & S. Scales-Preston / Juan Banales Alt.	Standing	As needed	D. Buchanan
Public Safety Subcommittee	Holland White & Shanelle Scales-Preston	Standing	As needed	B. Addington
Sister City Committee	Jelani Killings & Holland White / Merl Craft Alt.	Standing	As needed	K. Simonton

*Rotational Staff as assigned by City Manager
**Stipend of $170 per month
***Stipend of $100 per month

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor/Chair and Council/Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of Resolutions Making Findings in Support of Continuing to Hold Public Meetings by Teleconference Pursuant to California Government Code Section 54953(e)

MEETING DATE:

EXECUTIVE SUMMARY

Assembly Bill 361 (AB 361) amended the Brown Act to allow local legislative bodies to continue to meet remotely during proclaimed states of emergency under specified conditions. Findings must be made every 30 days.

FISCAL IMPACT

There is no fiscal impact to the General Fund by this action.

RECOMMENDATION

The City Council, Housing Authority, Successor Agency Governing Board, Southwest Pittsburg GHAD II, Pittsburg Arts and Community Foundation, and Pittsburg Power Company Governing Board adopt the attached resolutions and hold remote public meetings for the next 30 days.

BACKGROUND

Beginning in March 2020, Governor Newsom issued a series of Executive Orders aimed at containing the novel coronavirus. Among these were Executive Orders—N-25-20 and N-29-20 (collectively, the “Brown Act Orders”) — that waived requirements in the Brown Act expressly or impliedly requiring the physical presence of legislative body members, staff, or the public at local agency meetings.

On June 11, 2021, the Governor issued Executive Order N-08-21, to begin winding down some of the prior measures that were adopted to respond to COVID-19. Notably, N-08-21 established an end date to the Brown Act Orders, effective September 30, 2021.

On September 16, Governor Newsom signed Assembly Bill 361 which amended the Brown Act to allow local legislative bodies to continue to meet remotely during proclaimed states of emergency under specified conditions and so long as certain findings are made by a majority of the legislative body. As detailed in the attached resolutions, findings were made on December 20, 2021, and are effective for 30 days.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

Local legislative bodies such as a city council that wish to continue meeting by teleconference must comply with the requirements of California Government Code Section 54953, which was amended by AB 361.

Specifically, newly amended Government Code Section 54953 requires the following procedures:

o Give notice and post agendas as otherwise required by the Brown Act;
o List on the agenda how the public can electronically attend and comment at the meeting. Note that a public agency is not required to offer an in-person option for the public to attend and comment at such a meeting;
o Provide an opportunity to comment in advance of and during the meeting;
o Allow a reasonable amount of time to register, if required, and comment on each agenda item or at least the amount of time allowed per agency meeting protocols, whichever is longer;
o No action may be taken during a disruption that inhibits the broadcast of the meeting or the public's ability to comment;
o All votes must be via rollcall;
o Comply with state and federal civil rights and non-discrimination laws; and
o Take all precautions to protect the statutory and constitutional rights of the public.

While it only applies in situations where the Governor has proclaimed a state of emergency, and not, for instance, when only a local health officer has declared an emergency, AB 361 provides an explicit avenue for local public agencies to meet remotely in the case of a public health, or other, emergency that inhibits the opportunity to meet in person. AB 361 provides the flexibility to meet by teleconference through December 31, 2023, unless extended.

As COVID waned in November 2021, the local legislative bodies authorized partially teleconferenced meetings, with members of the bodies attending in person. However, given the recent spike in COVID cases, a return to fully teleconferenced meetings may be warranted. A fully teleconferenced meeting to consider the matter is authorized by AB 361.

The City Council resolution, if approved, would also authorize teleconferenced meetings of the Planning Commission, Community Advisory Commission, and all other commissions, and subcommittees. The remaining resolutions authorize the respective local legislative bodies to meet by teleconference.

Making the findings would allow teleconferenced meetings for the next 30 days.

ATTACHMENTS:

Resolutions

Report Prepared By:
Garrett Evans, City Manager/Executive Director

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Making Findings in Support of Continuing to Hold Public Meetings By Teleconference Pursuant to California Government Code Section 54953(e)	))))	RESOLUTION NO. 22-

WHEREAS, on March 4, 2020, the Governor of the State of California proclaimed a state of emergency due to COVID-19; and

WHEREAS, on March 10, 2020, the Contra Costa County Board of Supervisors issued an emergency proclamation to respond to COVID-19; and

WHEREAS, on March 16, 2020, the City Council proclaimed the existence of a local emergency in response to COVID-19; and

WHEREAS, on March 12, 2020, the Governor issued Executive Order N-25-20, which suspended specified requirements under the Brown Act with regard to teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended measures to promote social distancing; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20, which modified and replaced the Brown Act language of Executive Order N-25-20, continuing to suspend specified requirements under the Brown Act for teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended social distancing measures; and

WHEREAS on June 11, 2021, the Governor issued Executive Order N-08-21, which modified and replaced the Brown Act language of Executive Order N-29-20 and set forth an end date of September 30, 2021; and

WHEREAS, in September 2021 the State Legislature passed Assembly Bill 361, which was signed into law by the Governor on September 19, 2021; and

WHEREAS, AB 361 amended the Brown Act at Government Code Section 54953 to allow, until January 1, 2024, a legislative body to use teleconferencing without adhering to specified requirements so long as, among other circumstances, the meeting is held during a proclaimed state of emergency and state or local officials have imposed or recommended measures to promote social distancing, and so long as the legislative body reconsiders the circumstances every 30 days; and

WHEREAS, on September 20, 2021, the Contra Costa County Health Officer issued recommendations for public meetings, which recommendations include social distancing, and

WHEREAS, on October 4, 2021, and November 1, 2021, the City Council adopted a

resolution authorizing teleconferenced meetings for the City Council, commissions, and subcommittees; and

WHEREAS, following an improvement in the incidence of COVID cases, the City Council adopted Resolution No. 21-14023 on November 29, 2021 and adopted Resolution No. 21-14037 on December 20, 2021 to authorize meetings with public participation by teleconference and in-person attendance by members of the City Council and commissions, and otherwise fully teleconferenced meetings for subcommittees; and

WHEREAS, with the emergence of the Omicron variant, which may spread more easily than other variants, and in the wake of holiday gatherings of persons, the incidence of COVID has increased markedly.

NOW, THEREFORE BE IT RESOLVED that the City Council hereby makes the following findings:

1. The circumstances of the state of emergency have been reconsidered. The state of emergency declared by the Governor has not been terminated. The state of emergency declared by the County Board of Supervisors has not been terminated. The state of emergency declared by the City Council has not been terminated.

2. State or local officials continue to impose or recommend measures to promote social distancing. The County Health Official on September 21, 2021, issued a recommendation for social distancing, among other recommendations, during public meetings.

BE IT FURTHER RESOLVED that the City Council hereby approves meetings of the City Council, Planning Commission, Community Advisory Commission, and any other commission or subcommittee, to be held by teleconference, in compliance with California Government Code Section 54953(e).

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a special meeting on the 18th day of January, 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

Holland Barrett White, Mayor

ATTEST:

Alice E. Evenson, City Clerk

BEFORE THE GOVERNING BOARD OF THE SOUTHWEST PITTSBURG GEOLOGIC HAZARD ABATEMENT DISTRICT II

In the Matter of:

Making Findings in Support of Continuing to Hold Public Meetings By Teleconference Pursuant to California Government Code Section 54953(e)	))))	RESOLUTION NO. 22-

WHEREAS, on March 4, 2020, the Governor of the State of California proclaimed a state of emergency due to COVID-19; and

WHEREAS, on March 10, 2020, the Contra Costa County Board of Supervisors issued an emergency proclamation to respond to COVID-19; and

WHEREAS, on March 16, 2020, the City Council proclaimed the existence of a local emergency in response to COVID-19; and

WHEREAS, on March 12, 2020, the Governor issued Executive Order N-25-20, which suspended specified requirements under the Brown Act with regard to teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended measures to promote social distancing; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20, which modified and replaced the Brown Act language of Executive Order N-25-20, continuing to suspend specified requirements under the Brown Act for teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended social distancing measures; and

WHEREAS on June 11, 2021, the Governor issued Executive Order N-08-21, which modified and replaced the Brown Act language of Executive Order N-29-20 and set forth an end date of September 30, 2021; and

WHEREAS, in September 2021 the State Legislature passed Assembly Bill 361, which was signed into law by the Governor on September 19, 2021; and

WHEREAS, AB 361 amended the Brown Act at Government Code Section 54953 to allow, until January 1, 2024, a legislative body to use teleconferencing without adhering to specified requirements so long as, among other circumstances, the meeting is held during a proclaimed state of emergency and state or local officials have imposed or recommended measures to promote social distancing, and so long as the legislative body reconsiders the circumstances every 30 days; and

WHEREAS, on September 20, 2021, the Contra Costa County Health Officer issued recommendations for public meetings, which recommendations include social distancing; and

WHEREAS, on October 4, 2021, and November 1, 2021, the Board adopted a resolution authorizing teleconferenced meetings; and

WHEREAS, following an improvement in the incidence of COVID cases, the Board on November 29, 2021, and December 20, 2021, adopted a resolution to authorize meetings with public participation by teleconference and in-person attendance by members of the Board, and

WHEREAS, with the emergence of the Omicron variant, which may spread more easily than other variants, and in the wake of holiday gatherings of persons, the incidence of COVID has increased markedly.

NOW, THEREFORE BE IT RESOLVED that the Governing Board of the Southwest Pittsburg Geologic Hazard Abatement District II hereby makes the following findings:

1. The circumstances of the state of emergency have been reconsidered. The state of emergency declared by the Governor has not been terminated. The state of emergency declared by the County Board of Supervisors has not been terminated. The state of emergency declared by the City Council has not been terminated.

2. State or local officials continue to impose or recommend measures to promote social distancing. The County Health Official on September 21, 2021, issued a recommendation for social distancing, among other recommendations, during public meetings.

BE IT FURTHER RESOLVED that the Governing Board of the Southwest Pittsburg Geologic Hazard Abatement District II hereby approves meetings to be held by teleconference, in compliance with California Government Code Section 54953(e).

PASSED AND ADOPTED by the Governing Board of the Southwest Pittsburg Geologic Hazard Abatement District II at a special meeting on the 18th day of January, 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Chair

ATTEST:

_____
Alice E. Evenson, City Clerk

BEFORE THE GOVERNING BOARD OF THE HOUSING AUTHORITY OF THE CITY OF PITTSBURG

In the Matter of:

Making Findings in Support of Continuing to Hold Public Meetings By Teleconference Pursuant to California Government Code Section 54953(e)	))))	RESOLUTION NO. 22-

WHEREAS, on March 4, 2020, the Governor of the State of California proclaimed a state of emergency due to COVID-19; and

WHEREAS, on March 10, 2020, the Contra Costa County Board of Supervisors issued an emergency proclamation to respond to COVID-19; and

WHEREAS, on March 16, 2020, the City Council proclaimed the existence of a local emergency in response to COVID-19; and

WHEREAS, on March 12, 2020, the Governor issued Executive Order N-25-20, which suspended specified requirements under the Brown Act with regard to teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended measures to promote social distancing; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20, which modified and replaced the Brown Act language of Executive Order N-25-20, continuing to suspend specified requirements under the Brown Act for teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended social distancing measures; and

WHEREAS on June 11, 2021, the Governor issued Executive Order N-08-21, which modified and replaced the Brown Act language of Executive Order N-29-20 and set forth an end date of September 30, 2021; and

WHEREAS, in September 2021 the State Legislature passed Assembly Bill 361, which was signed into law by the Governor on September 19, 2021; and

WHEREAS, AB 361 amended the Brown Act at Government Code Section 54953 to allow, until January 1, 2024, a legislative body to use teleconferencing without adhering to specified requirements so long as, among other circumstances, the meeting is held during a proclaimed state of emergency and state or local officials have imposed or recommended measures to promote social distancing, and so long as the legislative body reconsiders the circumstances every 30 days; and

WHEREAS, on September 20, 2021, the Contra Costa County Health Officer issued recommendations for public meetings, which recommendations include social distancing, and

WHEREAS, on October 4, 2021, the Board adopted a resolution authorizing teleconferenced meetings, and adopted a similar resolution on November 1, 2021; and

WHEREAS, following an improvement in the incidence of COVID cases, the Board on November 29, 2021, adopted a resolution to authorize meetings with public participation by teleconference and in-person attendance by members of the Board, and on December 20, 2021, a similar resolution failed for lack of a quorum, and

WHEREAS, with the emergence of the Omicron variant, which may spread more easily than other variants, and in the wake of holiday gatherings of persons, the incidence of COVID has increased markedly.

NOW, THEREFORE BE IT RESOLVED that the Housing Authority Governing Board hereby makes the following findings:

1. The circumstances of the state of emergency have been reconsidered. The state of emergency declared by the Governor has not been terminated. The state of emergency declared by the County Board of Supervisors has not been terminated. The state of emergency declared by the City Council has not been terminated.

2. State or local officials continue to impose or recommend measures to promote social distancing. The County Health Official on September 21, 2021, issued a recommendation for social distancing, among other recommendations, during public meetings.

BE IT FURTHER RESOLVED that the Housing Authority Governing Board hereby approves meetings to be held by teleconference, in compliance with California Government Code Section 54953(e).

PASSED AND ADOPTED by the Housing Authority Governing Board at a special meeting on the 18th day of January, 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Chair

ATTEST:

_____
Alice E. Evenson, Agency Secretary

BEFORE THE GOVERNING BOARD OF THE PITTSBURG ARTS AND COMMUNITY FOUNDATION

In the Matter of:

Making Findings in Support of Continuing to Hold Public Meetings By Teleconference Pursuant to California Government Code Section 54953(e)	))))	RESOLUTION NO. 22-

WHEREAS, the Pittsburg Arts and Community Foundation is a 501(c)(3) nonprofit formed for the purpose of providing assistance to the City of Pittsburg and its Bylaws provide at Article III Section 1 that meetings of the board shall be held in compliance with the Brown Act; and

WHEREAS, on March 4, 2020, the Governor of the State of California proclaimed a state of emergency due to COVID-19; and

WHEREAS, on March 10, 2020, the Contra Costa County Board of Supervisors issued an emergency proclamation to respond to COVID-19; and

WHEREAS, on March 16, 2020, the City Council proclaimed the existence of a local emergency in response to COVID-19; and

WHEREAS, on March 12, 2020, the Governor issued Executive Order N-25-20, which suspended specified requirements under the Brown Act with regard to teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended measures to promote social distancing; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20, which modified and replaced the Brown Act language of Executive Order N-25-20, continuing to suspend specified requirements under the Brown Act for teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended social distancing measures; and

WHEREAS on June 11, 2021, the Governor issued Executive Order N-08-21, which modified and replaced the Brown Act language of Executive Order N-29-20 and set forth an end date of September 30, 2021; and

WHEREAS, in September 2021 the State Legislature passed Assembly Bill 361, which was signed into law by the Governor on September 19, 2021; and

WHEREAS, AB 361 amended the Brown Act at Government Code Section 54953 to allow, until January 1, 2024, a legislative body to use teleconferencing without adhering to specified requirements so long as, among other circumstances, the meeting is held during a proclaimed state of emergency and state or local officials have imposed or recommended measures to promote social distancing, and so long as the legislative body reconsiders the circumstances every 30 days; and

WHEREAS, on September 20, 2021, the Contra Costa County Health Officer issued recommendations for public meetings, which recommendations include social distancing; and

WHEREAS, on October 4, 2021, and November 1, 2021, the Board adopted a resolution authorizing teleconferenced meetings; and

WHEREAS, following an improvement in the incidence of COVID cases, the Board on November 29, 2021, and December 20, 2021, adopted a resolution to authorize meetings with public participation by teleconference and in-person attendance by members of the Board, and

WHEREAS, with the emergence of the Omicron variant, which may spread more easily than other variants, and in the wake of holiday gatherings of persons, the incidence of COVID has increased markedly.

NOW, THEREFORE BE IT RESOLVED that the Governing Board of the Pittsburg Arts and Community Foundation hereby makes the following findings:

1. The circumstances of the state of emergency have been reconsidered. The state of emergency declared by the Governor has not been terminated. The state of emergency declared by the County Board of Supervisors has not been terminated. The state of emergency declared by the City Council has not been terminated.

2. State or local officials continue to impose or recommend measures to promote social distancing. The County Health Official on September 21, 2021, issued a recommendation for social distancing, among other recommendations, during public meetings.

BE IT FURTHER RESOLVED that the Governing Board of the Pittsburg Arts and Community Foundation hereby approves meetings to be held by teleconference, in compliance with California Government Code Section 54953(e).

PASSED AND ADOPTED by the Governing Board of the Pittsburg Arts and Community Foundation at a special meeting on the 18th day of January, 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Chair

ATTEST:

_____
Alice E. Evenson, Agency Secretary

BEFORE THE PITTSBURG POWER COMPANY GOVERNING BOARD

In the Matter of:

Making Findings in Support of Continuing to Hold Public Meetings By Teleconference Pursuant to California Government Code Section 54953(e)	))))	RESOLUTION NO. 22-

WHEREAS, on March 4, 2020, the Governor of the State of California proclaimed a state of emergency due to COVID-19; and

WHEREAS, on March 10, 2020, the Contra Costa County Board of Supervisors issued an emergency proclamation to respond to COVID-19; and

WHEREAS, on March 16, 2020, the City Council proclaimed the existence of a local emergency in response to COVID-19; and

WHEREAS, on March 12, 2020, the Governor issued Executive Order N-25-20, which suspended specified requirements under the Brown Act with regard to teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended measures to promote social distancing; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20, which modified and replaced the Brown Act language of Executive Order N-25-20, continuing to suspend specified requirements under the Brown Act for teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended social distancing measures; and

WHEREAS on June 11, 2021, the Governor issued Executive Order N-08-21, which modified and replaced the Brown Act language of Executive Order N-29-20 and set forth an end date of September 30, 2021; and

WHEREAS, in September 2021 the State Legislature passed Assembly Bill 361, which was signed into law by the Governor on September 19, 2021; and

WHEREAS, AB 361 amended the Brown Act at Government Code Section 54953 to allow, until January 1, 2024, a legislative body to use teleconferencing without adhering to specified requirements so long as, among other circumstances, the meeting is held during a proclaimed state of emergency and state or local officials have imposed or recommended measures to promote social distancing, and so long as the legislative body reconsiders the circumstances every 30 days; and

WHEREAS, on September 20, 2021, the Contra Costa County Health Officer issued recommendations for public meetings, which recommendations include social distancing, and;

WHEREAS, on October 4, 2021, and November 1, 2021, the Board adopted a resolution authorizing teleconferenced meetings; and

WHEREAS, following an improvement in the incidence of COVID cases, the Board on November 29, 2021, and December 20, 2021, adopted a resolution to authorize meetings with public participation by teleconference and in-person attendance by members of the Board, and

WHEREAS, with the emergence of the Omicron variant, which may spread more easily than other variants, and in the wake of holiday gatherings of persons, the incidence of COVID has increased markedly.

NOW, THEREFORE BE IT RESOLVED that the Pittsburg Power Company Governing Board hereby makes the following findings:

1. The circumstances of the state of emergency have been reconsidered. The state of emergency declared by the Governor has not been terminated. The state of emergency declared by the County Board of Supervisors has not been terminated. The state of emergency declared by the City Council has not been terminated.

2. State or local officials continue to impose or recommend measures to promote social distancing. The County Health Official on September 21, 2021, issued a recommendation for social distancing, among other recommendations, during public meetings.

BE IT FURTHER RESOLVED that the Pittsburg Power Company Governing Board hereby approves meetings to be held by teleconference, in compliance with California Government Code Section 54953(e).

PASSED AND ADOPTED by the Pittsburg Power Company Governing Board at a special meeting on the 18th day of January, 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

Holland Barrett White, Chair

ATTEST:

Alice E. Evenson, Executive Secretary

BEFORE THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PITTSBURG

In the Matter of:

Making Findings in Support of Continuing to Hold Public Meetings By Teleconference Pursuant to California Government Code Section 54953(e)	))))	RESOLUTION NO. 22-

WHEREAS, on March 4, 2020, the Governor of the State of California proclaimed a state of emergency due to COVID-19; and

WHEREAS, on March 10, 2020, the Contra Costa County Board of Supervisors issued an emergency proclamation to respond to COVID-19; and

WHEREAS, on March 16, 2020, the City Council proclaimed the existence of a local emergency in response to COVID-19; and

WHEREAS, on March 12, 2020, the Governor issued Executive Order N-25-20, which suspended specified requirements under the Brown Act with regard to teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended measures to promote social distancing; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20, which modified and replaced the Brown Act language of Executive Order N-25-20, continuing to suspend specified requirements under the Brown Act for teleconferenced meetings of legislative bodies during the period in which state or local public health officials have imposed or recommended social distancing measures; and

WHEREAS on June 11, 2021, the Governor issued Executive Order N-08-21, which modified and replaced the Brown Act language of Executive Order N-29-20 and set forth an end date of September 30, 2021; and

WHEREAS, in September 2021 the State Legislature passed Assembly Bill 361, which was signed into law by the Governor on September 19, 2021; and

WHEREAS, AB 361 amended the Brown Act at Government Code Section 54953 to allow, until January 1, 2024, a legislative body to use teleconferencing without adhering to specified requirements so long as, among other circumstances, the meeting is held during a proclaimed state of emergency and state or local officials have imposed or recommended measures to promote social distancing, and so long as the legislative body reconsiders the circumstances every 30 days; and

WHEREAS, on September 20, 2021, the Contra Costa County Health Officer issued recommendations for public meetings, which recommendations include social distancing, and

WHEREAS, on October 4, 2021, and November 1, 2021, the Board adopted a resolution authorizing teleconferenced meetings; and

WHEREAS, following an improvement in the incidence of COVID cases, the Board on November 29, 2021, and December 20, 2021, adopted a resolution to authorize meetings with public participation by teleconference and in-person attendance by members of the Board, and

WHEREAS, with the emergence of the Omicron variant, which may spread more easily than other variants, and in the wake of holiday gatherings of persons, the incidence of COVID has increased markedly.

NOW, THEREFORE BE IT RESOLVED that the Governing Board of the Successor Agency to the Redevelopment Agency of the City of Pittsburg hereby makes the following findings:

1. The circumstances of the state of emergency have been reconsidered. The state of emergency declared by the Governor has not been terminated. The state of emergency declared by the County Board of Supervisors has not been terminated. The state of emergency declared by the City Council has not been terminated.

2. State or local officials continue to impose or recommend measures to promote social distancing. The County Health Official on September 21, 2021, issued a recommendation for social distancing, among other recommendations, during public meetings.

BE IT FURTHER RESOLVED that the Governing Board of the Successor Agency to the Redevelopment Agency of the City of Pittsburg hereby approves meetings to be held by teleconference, in compliance with California Government Code Section 54953(e).

PASSED AND ADOPTED by the Governing Board of the Successor Agency to the Redevelopment Agency of the City of Pittsburg at a special meeting on the 18th day of January, 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Chair

ATTEST:

_____
Alice E. Evenson, Agency Secretary

City of Pittsburg
65 Civic Avenue • Pittsburg, California 94565

Proclamation

MARTIN LUTHER KING, JR. DAY
JANUARY 17, 2022

WHEREAS, on January 15, 1929, Martin Luther King, Jr., was born, destined to make our world a greater and more noble one. He dedicated his life to ending the injustice of racism, gracing the world with his vision of a land guided by love instead of hatred and by acceptance instead of intolerance; and

WHEREAS, 578years ago, Dr. King described his goals most eloquently in his famous "I Have a Dream" speech at the historic Civil Rights March on Washington. The impassioned plea that rose from the steps of the Lincoln Memorial that summer day stirred the entire Nation, awakening people everywhere to turn from the scourge of racism to embrace the promise of opportunity and democracy for all. He prophetically described a future in which our children are judged "not by the color of their skin, but by the content of their character." His unparalleled commitment to justice and nonviolence challenged us to look deeply within ourselves to find the roots of racism; and

WHEREAS, throughout his all too brief life, Martin Luther King, Jr. often confronted powerful and even violent opposition, sacrificing his liberty, his personal safety, and ultimately his life for the cause of freedom. Though an assassin's bullet silenced him forever at the young age of 39, Dr. King's words and deeds continue to live on within each of us. We, the inheritors of the fundamental rights he helped to secure, are forever grateful for his legacy.

NOW, THEREFORE, I, Holland Barrett White, Mayor, on behalf of the entire City Council of the City of Pittsburg, do hereby proclaim Monday, January 17, 2022 as Martin Luther King, Jr. Day and call upon the residents of this community to join in rededicating ourselves to the principles of justice and equality for all.

Holland Barrett White

Holland Barrett White, Mayor

ATTEST:

Alice E. Evenson

Alice E. Evenson, City Clerk

January 17, 2022

City of Pittsburg
65 Civic Avenue • Pittsburg, California 94565

Proclamation

HUMAN TRAFFICKING AWARENESS MONTH
JANUARY 2022

WHEREAS, human trafficking is a form of abuse in which force, fraud or coercision is used to control victims for the purpose of commercial sexual or labor exploitation; that occurs in every industry and affects individuals of all genders, ages and of all backgrounds; and

WHEREAS, human trafficking is a lucrative industry and the fastest growing criminal industry in the world; and

WHEREAS, the crime of human trafficking violates an individual's privacy, dignity, security and humanity due to the systematic use of physical, emotional, sexual, psychological and economic exploitation, control and/or abuse; and

WHEREAS, the impact of human trafficking is wide-ranging, directly affecting foreign nationals as well as US citizens, and society as a whole; victims experience trauma, violence, manipulation, fraud and coercion at the hands of their traffickers. It is often the most vulnerable members of our communites who are affected by human trafficking; and

WHEREAS, our area is not immune to human trafficking. While underreported, over the last five years the Contra Costa Human Trafficking Coalition and several partner agencies identified and served over 500 victims of human trafficking; and

WHEREAS, the County's Alliance to End Abuse acknowledges that fighting exploitation and human trafficking is a shared community responsibility and it is necessary to build collaboration by linking with local, regional and federal agencies; and

WHEEREAS, the City of Pittsburg desires to raise awareness so residents will become more aware, informed and will take action to end human trafficking.

NOW, THEREFORE, I, Holland Barrett White, Mayor, on behalf of the entire City Council of the City of Pittsburg, do hereby proclaim January 2022 as Human Trafficking Awareness Month.



Holland Barrett White

Holland Barrett White, Mayor

ATTEST:

Alice E. Evenson

Alice E. Evenson, City Clerk

January 11, 2022

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a Housing Authority Resolution Approving the Housing Authority of the City of Pittsburg Administrative Plan for 2021

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

As required compliance to the U. S. Department of Housing and Urban Development ("HUD"), the Housing Authority of the City of Pittsburg (the "Housing Authority") has revised its Administrative Plan to incorporate significant modifications or amendments to policies which address the delivery of housing services in the community. The Administrative Plan outlines the policies and procedures of the Housing Authority.

FISCAL IMPACT

Adoption of the Administrative Plan has no fiscal impact to the General Fund.

RECOMMENDATION

Staff recommends the Housing Authority Board open the public hearing, receive public comment, close the public hearing and adopt the Resolution for approval of the Administrative Plan for 2021.

BACKGROUND

When there are significant modifications to the policies of the Housing Authority, a public hearing is required regarding these policy changes. The Housing Authority has made significant modifications, as reflected by policy changes in Chapters 4, 5, 11 and 17 of the Administrative Plan for 2021.

SUBCOMMITTEE FINDINGS

The revisions to the Administrative Plan have not been discussed in a subcommittee.

STAFF ANALYSIS

The Housing Authority administers programs with an annual grant as determined by HUD. The entire format and wording have been modified to the Administrative Plan being presented for approval. The new format states the federal regulation, explains the policy pertaining to the regulation and provides the Housing Authority's policy regarding the regulation. Many of these revisions to policies will increase housing options, address local housing needs and provide additional resources for Pittsburg residents.

The changes in Chapter 4 include revisions to the Wait List Policy creating future wait lists in smaller increments that expire every two years. These revisions are intended to reduce the time applicants are waiting to be offered assistance. Designing the list to expire every two years will give more applicants more frequent chances to be selected and reduce the administrative burden of keeping the list updated.

The changes in Chapter 5 clarify the family composition when considering a pregnant woman to include two applicants. This language is required to meet HUD's latest update.

The changes in Chapter 11 clarifies language about adding other adult members providing families opportunities for other adults to be added without impacting the budgetary constraints that earlier policies were designed to address.

The changes in Chapter 17 introduce recent revisions in outreach methodology language to implement the project-based voucher (PBV) program. This new language will ensure the Housing Authority's Administrative plan is compliant with the recruitment of applicants for Veteran's Square.

In summary, none of these changes will negatively impact the families being assisted but will provide the Housing Authority more current and compliant language to HUD's regulatory updates and guidelines.

The Housing Authority has revised the Administrative Plan in accordance with HUD's requirements. This plan defines the agency's goals for providing housing and offering support to families needing such assistance. The Housing Authority posted the Public Notice for comment on November 2, 2021 and received no comments or responses.

ATTACHMENTS: 2021 Administrative Plan
Public Hearing Notice
Resolution

Report Prepared By: Bruce Smargiasso, Housing Manager

Housing Authority of the City of Pittsburg

ADMINISTRATIVE PLAN

FOR THE

HOUSING CHOICE VOUCHER PROGRAM

916 Cumberland Street
Pittsburg, CA 94565

Approved by the HACP Board□ 12-20-2021

Submitted to H□D□

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GLOSSAR[]

A. Acronyms []sed in the Housing Choice Voucher Program
B. Subsidized Housing Terminology

ABOUT THE REFERENCES CITED IN THE MODEL ADMINISTRATIVE PLAN

AUTHORITIES FOR POLICIES IN THE MODEL ADMINISTRATIVE PLAN

The authority for public housing agency (PHA) policies is derived from many sources. Primary among these sources are federal statutes, federal regulations, and guidance issued by the □nited States Department of Housing and □rban Development (H□D). State law also directs PHA policy. State law must be followed where such law exists and does not conflict with federal regulations. Industry practice may also be used to develop policy as long as it does not conflict with federal requirements or prohibitions.

HUD

H□D provides the primary source of PHA policy through federal regulations, H□D notices, and handbooks. Compliance with federal regulations, current H□D notices, and current H□D handbooks is mandatory.

H□D also provides guidance to PHAs through other means such as H□D-published guidebooks, expired H□D notices, and expired handbooks. Basing PHA policy on H□D guidance is optional, as long as PHA policies comply with federal law, federal regulations, and mandatory policy. Because H□D has already determined that the guidance it provides is consistent with mandatory policies, PHA reliance on H□D guidance provides the PHA with a "safe harbor."

Material posted on the H□D website can provide further clarification of H□D policies. For example, FA□s on the H□D website can provide direction on the application of federal regulations in various aspects of the program.

State Law

Where there is no mandatory federal guidance, PHAs must comply with state law, if it exists. Where state law is more restrictive than federal law, but does not conflict with it, the PHA should follow the state law.

Industry Practice

Where no law or H□D authority exists on a particular subject, industry practice may support PHA policy. Industry practice refers to a way of doing things or a policy that has been adopted by a majority of PHAs.

RESOURCES CITED IN THE MODEL ADMINISTRATIVE PLAN

The model administrative plan cites several documents. Where a document or resource is cited frequently, it may be abbreviated. Where it is cited only once or twice, the model administrative plan may contain the entire name of the document or resource.

Following is a key to abbreviations used for various sources that are frequently cited in the administrative plan and a list of references and document locations that are referenced in the model administrative plan or that may be helpful to you.

Abbreviations

Throughout the model administrative plan, abbreviations are used to designate certain documents in citations. The following is a table of abbreviations of documents cited in the model administrative plan.

Abbreviation	Document
CFR	Code of Federal Regulations
HCV GB	Housing Choice Voucher Program Guidebook (7420.10G), April 2001.
HUD-50058 IB	H□D-50058 Instruction Booklet
RHIIP FAQs	Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked □uestions.
VG	PIH Notice 2004-01 Verification Guidance, March 9, 2004.
HB 4350□3	Occupancy Requirements of Subsidized Multifamily Housing Programs

Resources and Where to Find Them

Following is a list of resources helpful to the PHA or referenced in the model administrative plan, and the online location of each.

Document and Location
Code of Federal Regulations http□//www.gpoaccess.gov/cfr/index.html
Earned Income Disregard FA□ www.hud.gov/offices/pih/phr/about/ao□faq□eid.cfm
Eligibility of Students for Assisted Housing □nder Section 8 of the □.S. Housing Act of 1937; Final Rule http□//edocket.access.gpo.gov/2008/pdf/E8-19435.pdf
Enterprise Income Verification (EIV) System, Security Procedures for □pfront Income Verification data http□//www.hud.gov/offices/pih/programs/ph/rhiip/docs/eivsecguidepha.pdf
Executive Order 11063 http□//www.hud.gov/offices/fheo/FHLaws/EXO11063.cfm

Federal Register http://www.access.gpo.gov/su_docs/aces/fr-cont.html
General Income and Rent Determination FA_s www.hud.gov/offices/pih/programs/ph/rhiip/faq_gird.cfm
Housing Choice Voucher Program Guidebook (7420.10G), April 2001 www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm
H_D-50058 Instruction Booklet http://portal.hud.gov/hudportal/documents/huddoc_id=50058i.pdf
_oint Statement of the Department of Housing and _rban Development and the Department of _ustice, issued May 17, 2004 http://www.hud.gov/offices/fheo/library/huddojstatement.pdf
Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, published _anuary 22, 2007 http://www.hud.gov/offices/fheo/promotingfh/FederalRegistepublishedguidance.pdf
Notice PIH 2012-10, Verification of Social Security Numbers (SSNs) and Supplemental Security Income (SSI) Benefits; and Effective _se of the Enterprise Income Verification (EIV) System's Identity Verification Report http://portal.hud.gov/huddoc/pih2012-10.pdf
Notice PIH 2010-19, Administrative Guidance for Effective and Mandated _se of the Enterprise Income Verification (EIV) System http://www.hud.gov/offices/pih/publications/notices/10/pih2010-19.pdf
Notice PIH 2010-26 (HA), Nondiscrimination and Accessibility Notice http://www.hud.gov/offices/pih/publications/notices/10/pih2010-26.pdf
OMB Circular A-133 http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2010
Project-Based Voucher Program; Final Rule http://www.gpo.gov/fdsys/pkg/FR-2005-10-13/pdf/05-20035.pdf

Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked _uestions. www.hud.gov/offices/pih/programs/ph/rhiip/faq.cfm
VAWA Final Rule http://www.gpo.gov/fdsys/pkg/FR-2010-10-27/pdf/2010-26914.pdf
Verification FA_ www.hud.gov/offices/pih/programs/ph/rhiip/faq_verif.cfm
Verification Guidance, March 2004 (attachment to Notice PIH 2004-1) http://www.hud.gov/offices/pih/publications/notices/04/verifguidance.pdf

The H□D Web site is http□//portal.hud.gov/hudportal/H□D.

Guidebooks, handbooks and other H□D resources may be found at the *HUDClips* Web site□
http□//portal.hud.gov/hudportal/H□D□src=/program□offices/administration/hudclips

This Administrative Plan first explains HUD's policies section by section by defining what is required of all housing authorities also known as PHAs. The policies of the Housing Authority – Housing Authority of the City of Pittsburg (HACP), modeled after HUD's policies, specifically pertains to this Housing Authority and is explained as a subsection to each HUD policy.

Chapter 1

OVERVIEW OF THE PROGRAM AND PLAN

INTRODUCTION

The Public Housing Agency also known as PHA receives its funding for the Housing Choice Voucher (HCV) program from the Department of Housing and Urban Development abbreviated as HUD. A PHA is not a federal department or agency. A PHA is a governmental or public body, created and authorized by state law to develop and operate housing and housing programs for low-income families. The PHA enters into an Annual Contributions Contract with HUD to administer the program requirements on behalf of HUD. The PHA must ensure compliance with federal laws, regulations, and notices and must establish policies and procedures to clarify federal requirements and to ensure consistency in program operation.

This chapter contains information about the PHA and its programs with emphasis on the HCV program. It also contains information about the purpose, intent, and use of the plan and guide.

There are three parts to this chapter:

Part I: The Public Housing Agency (PHA). This part includes a description of the PHA, its jurisdiction, its programs, and its mission and intent.

Part II: The HCV Program. This part contains information about the Housing Choice Voucher program operation, roles and responsibilities, and partnerships.

Part III: The HCV Administrative Plan. This part discusses the purpose and organization of the plan and its revision requirements.

PART I: HOUSING AUTHORITY OF THE CITY OF PITTSBURG

1-I.A. OVERVIEW

This part explains the origin of the HACP's creation and authorization, the general structure of the organization, and the relationship between the HACP Board and staff.

1-I.B. ORGANIZATION AND STRUCTURE OF THE PUBLIC HOUSING AGENCY

The HCV program, also known as Section 8, is a tenant-based assistance and is funded by the federal government and administered by the **Housing Authority of the City of Pittsburg also known as the HACP** for the jurisdiction of the **City of Pittsburg in the County of Contra Costa**.

The officials of the PHA are known as commissioners or, collectively, as the board of commissioners (Board). At the HACP, the City Council and two HACP program beneficiaries serve as the Board of Commissioners. Commissioners are appointed in accordance with state housing law and generally serve in the same capacity as the directors of a corporation, establishing policies under which the HACP conducts business, ensuring that policies are followed by HACP staff and ensuring that the HACP

is successful in its mission. The Board is responsible for preserving and expanding the HACP's resources and assuring the HACP's continued viability.

Formal actions of the HACP are taken through written resolutions, adopted by the Board and entered into the official records of the HACP.

The principal staff member of the HACP is the executive director (ED), hired by the City Council of the City of Pittsburg. The ED is charged to hire the Housing Manager who is directly responsible for carrying out the policies established by the Board and is delegated the responsibility for hiring, training and supervising the HACP staff in order to manage the day-to-day operations of the HACP. The Housing Manager under the direction of the ED is responsible for ensuring compliance with federal and state laws and directives for the programs managed. In addition, the Housing Manager's duties include budgeting and financial planning for the HACP.

1-I.C. Housing Authority of the City of Pittsburg's MISSION

The purpose of a mission statement is to communicate the purpose of the agency to people inside and outside of the agency. It provides guiding direction for developing strategy, defining critical success factors, searching out key opportunities, making resource allocation choices, satisfying clients and stakeholders, and making decisions.

HACP Policy:

The HACP 's mission is to provide safe, decent and sanitary housing conditions for very low-income families and to manage resources efficiently. The HACP is committed to promote personal, economic, and social upward mobility to provide families the opportunity to make the transition from subsidized to non-subsidized housing.

1-I.D. THE Housing Authority of the City of Pittsburg's PROGRAMS

The following programs are included under this Administrative Plan.

HACP Policy:

The HACP's Administrative Plan is applicable to the operation of the Housing Choice Voucher (HCV) program, the Project Based Voucher (PVB) program, the Veteran's Affairs Supportive Housing (VASH) and the Housing Choice Voucher Homeownership program.

1-I.E. THE Housing Authority of the City of Pittsburg's COMMITMENT TO ETHICS AND SERVICE

As a public service agency, the HACP is committed to providing excellent service to HCV program participants, owners, and to the community. The HACP's standards include.

- Administer applicable federal and state laws and regulations to achieve high ratings in performance measurement indicators while maintaining efficiency in program operation to ensure fair and consistent treatment of clients served.

- Provide decent, safe, and sanitary housing, in compliance with program housing quality standards, for very low-income families while ensuring that family rents are fair, reasonable, and affordable.
- Encourage self-sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational, and other human service needs.
- Promote fair housing and equal opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
- Promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low-income families.
- Promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.
- Create positive public awareness and expand the level of family, owner, and community support in accomplishing the HACP's mission.
- Attain and maintain a high level of standards and professionalism in day-to-day management of all program components.
- Administer an efficient, high-performing agency through continuous improvement of the HACP's support systems and a high level of commitment to our employees and their development.

The HACP will make every effort to keep program participants informed of HCV program rules and regulations, and to advise participants of how the program rules affect them.

1-I.F. LOCAL GOALS/OB□ECTIVES □24 CFR 982.1□

For the next five years, the agency has established the following primary objectives□

Objective One: To assure that the housing subsidy programs for which it is funded are well run. *The* HACP *cannot meet all the housing needs of the low-income population in Pittsburg. Primarily, the HACP is funded to operate the HCV Program. Consequently, its first priority is to assure that this program is efficient which is defined as a content score of at least 90% and above on the Section 8 Management Assessment Program (SEMAP). Currently, with a score of 100%, the HACP is considered a "High Performer" under SEMAP. The HACP plans to maintain that score at that level for the period covered by this Administrative Plan.*

Objective Two: To expand the number of housing opportunities. *Although there is no new funding for low-income housing, the HACP continues to seek ways of expanding the supply of affordable housing. In that regard, the HACP plans to continue meeting with landlords to inform and encourage participation in the program.*

Objective Three: To increase the number of tenant-based assistance through the Veterans Assisted Supportive Housing Program (VASH). *This change will*

likely have a significant impact on the HACP as the estimated number of units is expected to increase over the next couple of years.

PART II: THE HOUSING CHOICE VOUCHER (HCV) PROGRAM

1-II.A. OVERVIEW AND HISTORY OF THE PROGRAM

The intent of this section is to provide the public and staff with information related to the overall operation of the program. There have been many changes to the program since its inception in 1974 and a brief history of the program will assist the reader to better understand the program.

The **United States Housing Act of 1937** is responsible for the birth of federal housing program initiatives and was intended to provide financial assistance to states and cities for public works projects, slum clearance and the development of affordable housing developments for low-income residents.

The **Housing and Community Development Act of 1974** created a new federally assisted housing program – the Section 8 Existing program (also known as the Section 8 Certificate program). The Housing and Community Development Act of 1974 represented a significant shift in federal housing strategy from locally owned public housing to privately owned rental housing.

Under the Certificate program, federal housing assistance payments were made directly to private owners of rental housing where this housing was made available to lower-income families. Eligible families were able to select housing in the private rental market. Assuming that the housing met certain basic physical standards of quality (Housing Quality Standards or HQS) and was within certain HUD-established rent limitations (Fair Market Rents or FMR), the family would be able to receive rental assistance in the housing unit. Family contribution to rent was generally set at thirty percent (30%) of the family's adjusted income, with the remainder of the rent paid by the program.

Another unique feature of the Certificate program was that the rental assistance remained with the eligible family, if the family chose to move to another privately-owned rental unit that met program requirements (in contrast to the PVB program where the rental assistance remains with the unit, should the family decide to move). Consequently, the Certificate program was characterized as tenant-based assistance, rather than unit-based assistance.

The **Housing and Community Development Act of 1987** authorized a new version of tenant-based assistance – the Section 8 Voucher program. The Voucher program was very similar to the Certificate program in that eligible families were able to select housing in the private rental market and receive assistance in that housing unit.

However, the Voucher program permitted families more options in housing selection. Rental housing still had to meet the basic housing quality standards, but there was no fair market rent limitation on rent. In addition, family contribution to rent was not set at a limit of thirty percent (30%) of adjusted income. Consequently, depending on the actual rental cost of the unit selected, a family might pay more or less than thirty percent (30%) of their adjusted income for rent.

From 1987 through 1999, public housing agencies managed both the Certificate and Voucher programs, with separate rules and requirements for each. From 1994 through

1998, HUD published a series of new rules, known as “conforming” rules, to more closely combine and align the two similar housing programs, to the extent permitted by the law.

In **1998, the Quality Housing and Wor Responsibility Act (QHWRA)**, also known as the Public Housing Reform Act, was signed into law. The Public Housing Reform Act eliminated all statutory differences between the Certificate and Voucher programs and required that the two programs be merged into a single tenant-based assistance program, now known as the Housing Choice Voucher (HCV) program.

The HCV program was modeled closely on the pre-merger Voucher program. However, unlike the pre-merger Voucher program, the HCV program requires an assisted family to pay at least 30 percent of adjusted income for rent.

The transition of assistance from the Certificate and Voucher programs to the new HCV program began in October 1999. By October 2001, all families receiving tenant-based assistance were converted to the HCV program.

1-II B HOUSING CHOICE VOUCHER PROGRAM BASICS

The purpose of the HCV program is to provide rental assistance to eligible families. The rules and regulations of the HCV program are determined by H D. The HACP is afforded choices in the operation of the program which are included in the HACP’s Administrative Plan, a document approved by the Board of the HACP.

The HCV program offers mobility to eligible families because they may search for suitable housing anywhere in the HACP’s jurisdiction and may also be eligible to move under portability to other PHAs’ jurisdictions.

When a family is determined to be eligible for the program and funding is available, the HACP issues the family a housing voucher. When the family finds a suitable housing unit and funding is available, the HACP will enter into a contract with the owner and the family will enter into a lease with the owner. Each party makes their respective payment to the owner so that the owner receives full rent.

Even though the family is determined to be eligible for the program, the owner has the responsibility of approving the family as a suitable renter. The HACP continues to make payments to the owner as long as the family is eligible for assistance and the housing unit continues to qualify under the program.

1-II C THE HOUSING CHOICE VOUCHER PARTNERSHIPS

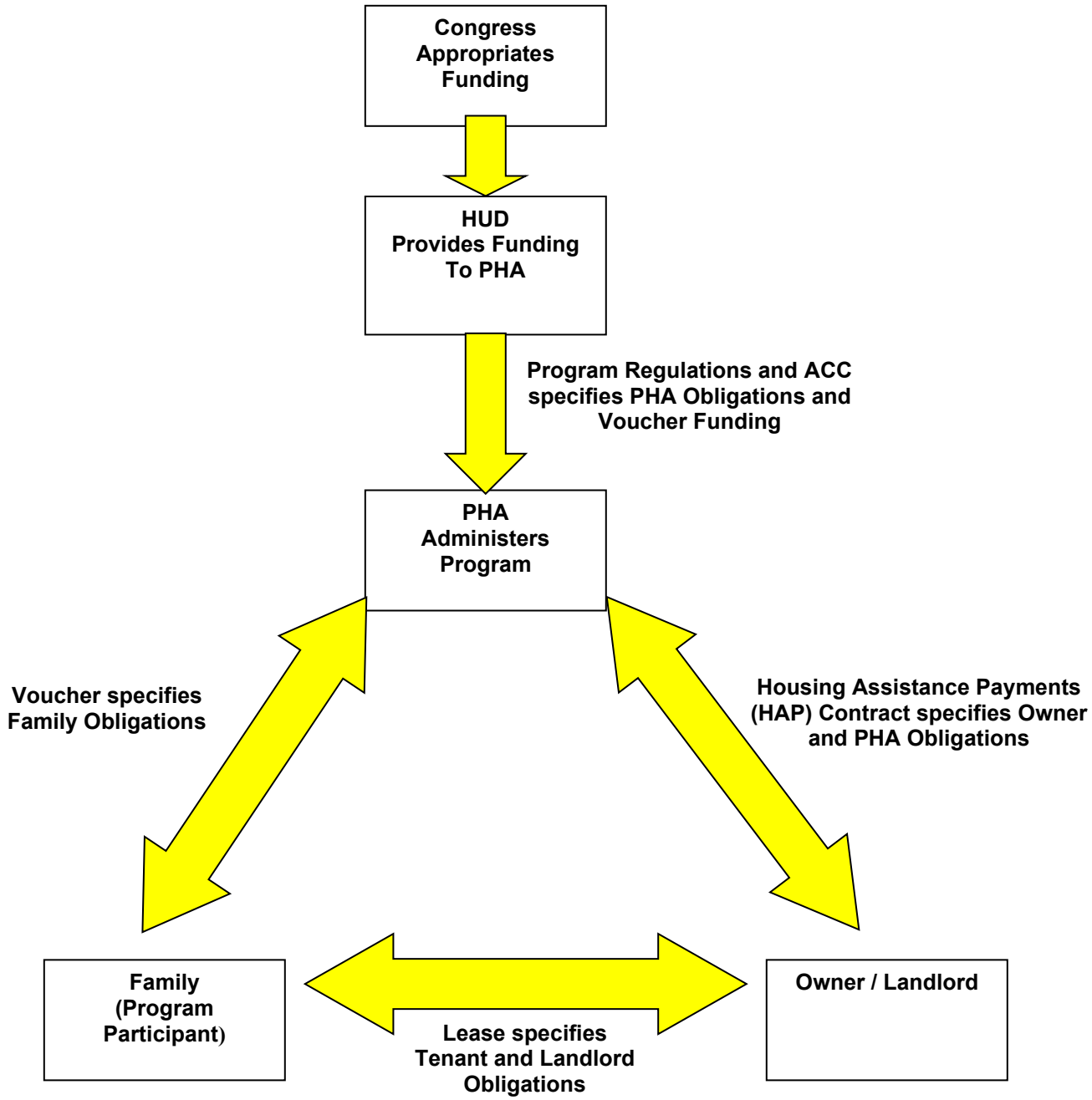
To administer the HCV program, the HACP enters into a contractual relationship with H D (Consolidated Annual Contributions Contract). The HACP also enters into contractual relationships with the assisted family and the owner or landlord of the housing unit.

For the HCV program to work and be successful, all parties involved, H D, the HACP, the owner, and the family, have important roles to play. The roles and responsibilities of all parties are defined in federal regulations and in legal documents

that the parties execute to participate in the program.

The chart on the following page illustrates key aspects of these relationships.

The HCV Relationships:



What Does HUD Do

H□D has the following major responsibilities□

- Develop regulations, requirements, handbooks, notices, and other guidance to implement HCV housing program legislation passed by Congress
- Allocate HCV program funds to PHAs
- Provide technical assistance to PHAs on interpreting and applying HCV program requirements; and
- Monitor PHA compliance with HCV program requirements and PHA performance in program administration.

What Does the Housing Authority of the City of Pittsburg Do

The HACP administers the HCV program under contract with H□D and has the following major responsibilities□

- Establish local policies to administer the program
- Review applications from interested applicants to determine whether they are eligible for the program
- Maintain a waiting list and process families for admission
- Issue vouchers to eligible families and provide information on how to lease a unit
- Conduct outreach to owners, with special attention to owners outside areas of poverty or minority concentration
- Approve the rental unit (including assuring compliance with Housing □uality Standards and rent reasonableness), the owner, and the tenancy
- Make housing assistance payments to the owner in a timely manner
- Recertify families for continued eligibility under the program
- Ensure that owners and families comply with their contractual obligations
- Provide families and owners with prompt, professional service; and
- Comply with all fair housing and equal opportunity requirements, H□D regulations and requirements, the Annual Contributions Contract, H□D-approved applications for funding, the HACP's Administrative Plan, and other applicable federal, state and local laws.

What Does the Owner Do

The owner has the following major responsibilities□

- Screen families who apply for tenancy, to determine suitability as renters.

  - The HACP can provide some information to the owner, but the primary responsibility for tenant screening rests with the owner.
  - The owner should consider family background factors such as rent and bill-paying history, history of caring for property, respecting the rights of others to peaceful enjoyment of the property, compliance with essential conditions of tenancy, whether the family is engaging in drug-related criminal activity or other criminal activity that might threaten others.
- Comply with the terms of the Housing Assistance Payments (HAP) contract executed with the HACP
- Comply with all applicable fair housing laws and not discriminate against anyone
- Maintain the housing unit in accordance with Housing □uality Standards and make necessary repairs in a timely manner; and
- Collect rent due from the assisted family and otherwise comply with and enforce provisions of the lease.

What Does the Family Do□

The family has the following responsibilities□

- Provide the HACP with complete and accurate information as determined by the HACP to be necessary for administration of the program
- Make their best and most timely efforts to locate qualified and suitable housing
- Attend all appointments scheduled by the HACP
- Allow the HACP to inspect the unit at reasonable times and after reasonable notice
- Take responsibility for care of the housing unit, including any violations of Housing □uality Standards caused by the family
- Comply with the terms of the lease
- Comply with the family obligations of the voucher
- Not commit serious or repeated violations of the lease
- Not engage in drug-related or violent criminal activity
- Notify the HACP and the owner before moving or terminating the lease
- □se the assisted unit only for residence and as the sole residence of the family. Not sublet the unit, assign the lease, or have any owner interest in the unit
- Promptly notify the HACP of any changes in family composition; and
- Not commit fraud, bribery, or any other corrupt or criminal act in connection with any housing programs.

1-II.D. APPLICABLE REGULATIONS

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 35: Lead-Based Paint
- 24 CFR Part 100: The Fair Housing Act
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 983: Project-Based Vouchers
- 24 CFR Part 985: The Section 8 Management Assessment Program (SEMAP)

PART III: THE HCV ADMINISTRATIVE PLAN

1-III.A. OVERVIEW AND PURPOSE OF THE ADMINISTRATIVE PLAN

The administrative plan is required by HUD. The purpose of the administrative plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the HACP's agency plan. This Administrative Plan is a supporting document to the HACP agency plan and is available for public review as required by CFR 24 Part 903.

This Administrative Plan is set forth to define the HACP 's local policies for operation of the housing programs in accordance with federal laws and regulations. All issues related to the HCV program not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices, and other applicable law. The policies in this Administrative Plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

The HACP is responsible for complying with all changes in HUD regulations pertaining to the HCV program. If such changes conflict with this Administrative Plan, HUD regulations will control.

Administration of the HCV program and the functions and responsibilities of HACP staff shall be in compliance with the HACP 's personnel policy and HUD regulations as well as all federal, state and local fair housing laws and regulations.

1-III.B. CONTENTS OF THE ADMINISTRATIVE PLAN (24 CFR 982.54)

HUD regulations at 24 CFR 982.54 define the policies that must be included in the administrative plan. They are as follow:

- Selection and admission of applicants from the HACP waiting list, including any HACP admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the HACP waiting list (Chapter 4),
- Issuing or denying vouchers, including HACP Policy governing the voucher term and any extensions of the voucher term. If the HACP decides to allow extensions of the voucher term, the HACP Administrative Plan must describe how the HACP determines whether to grant extensions, and how the HACP determines the length of any extension (Chapter 5),
- Any special rules for use of available funds when HUD provides funding to the HACP for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families (Chapter 4),
- Occupancy policies, including definition of what group of persons may qualify as a 'family', definition of when a family is considered to be 'continuously assisted'; standards for denying admission or terminating assistance based on criminal activity or alcohol abuse in accordance with 982.553 (Chapters 3 and 12),
- Encouraging participation by owners of suitable units located outside areas of low income or minority concentration (Chapter 13)

- 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 the HACP of amounts the family owes the HACP (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 or other authorized officials to charge the administrative fee reserve (Chapter 16)
- Procedural guidelines and performance standards for conducting required H□S inspections (Chapter 8); and
- HACP screening of applicants for family behavior or suitability for tenancy (Chapter 3).

Mandatory vs□Discretionary Policy

H□D 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 H□D staff.

H□D expects the HACP to adopt local policies and procedures that are consistent with mandatory policies in areas where H□D gives the HACP discretion. The HACP 's Administrative Plan is the foundation of those policies and procedures. HUD’s directions

require HACP to make policy choices that provide sufficient guidance to staff and ensure consistency to program applicants and participants.

Creating policies based upon H□D guidance is not mandatory but provides a PHA with a "safe harbor." HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If a PHA adopts an alternative strategy, it must make its own determination that the alternative approach is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different than HUD's safe harbor, but PHAs should carefully think through those decisions.

1-III□C□ORGANI□ATION OF THE ADMINISTRATIVE PLAN

The plan is organized to provide information to users in particular areas of operation.

1-III□D□UPDATING AND REVISING THE ADMINISTRATIVE PLAN

The HACP will revise this Administrative Plan as needed to comply with changes in H□D regulations. The original plan and any changes must be approved by the Board of the agency, the pertinent sections included in the PHA Agency Plan, and a copy provided to H□D.

HACP Policy:

The HACP may review and update the Administrative Plan once a year, and more often if needed, to reflect changes in regulations, HACP operations, or when needed to ensure staff consistency in operation.

Chapter 2

FAIR HOUSING AND EQUAL OPPORTUNIT□

INTRODUCTION

This chapter explains the laws and H□D regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and processes. The responsibility to further nondiscrimination pertains to all areas of the PHA's HCV operations.

This chapter describes H□D regulations and PHA policies related to these topics in three parts□

Part I□Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of the PHA regarding nondiscrimination.

Part II□Policies Related to Persons with Disabilities. This part discusses the rules and policies of the HCV program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.□.S.C.) and Section 504 of the Rehabilitation Act of 1973 and incorporate guidance from the □oint Statement of The Department of Housing and □rban Development and the Department of □ustice (DO□), issued May 17, 2004.

Part III□Prohibition of Discrimination Against Limited English Proficiency Persons. This part details the obligations of the PHA to ensure meaningful access to the HCV program and its activities by persons with limited English proficiency (LEP). This part incorporates the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons published □anuary 22, 2007, in the *Federal Register.*

PART I: NONDISCRIMINATION

2-I□A□OVERVIEW

Federal laws require PHAs to treat all applicants and participants equally, providing the same opportunity to access services, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition, H□D regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. The PHA will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including□

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)

- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- The Equal Access to Housing in H□D Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012 and further clarified in Notice PIH 2014-20
- Violence Against Women Reauthorization Act of 2013 (VAWA)

When more than one civil rights law applies to a situation, the laws will be read and applied together.

Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted will also apply.

HACP Policy:

The HACP complies with the following laws□

California Fair Employment and Housing Act (FEHA)

Unruh Civil Rights Act

2-I□B□NONDISCRIMINATION

Federal regulations prohibit discrimination against certain protected classes and other groups of people. State and local requirements, as well as PHA policies, can prohibit discrimination based on other factors.

The PHA shall not discriminate because of race, color, sex, religion, familial status, age, disability or national origin (called “protected classes”)

Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

HACP Policy:

The HACP will not discriminate on the basis of□□FR Notice 02/03/12□.

- Gender, Gender Identity, and Gender Expression
- Sexual Orientation
- Marital Status
- Ancestry
- Source of Income
- Genetic Information

California Supreme Court has held that protections under the □nruh Act are not necessarily restricted to these characteristics. The □nruh Act is meant to cover

all arbitrary and intentional discrimination by a business establishment on the bases of personal characteristics similar to those listed above.

The HACP will not use any of these factors to

- Deny any family the opportunity to apply for housing, nor deny any qualified applicant the opportunity to participate in the housing choice voucher program.
- Provide housing that is different from that provided to others.
- Subject anyone to segregation or disparate treatment.
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program.
- Treat a person differently in determining eligibility or other requirements for admission.
- Steer an applicant or participant toward or away from a particular area based any of these factors.
- Deny anyone access to the same level of services.
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program.
- Discriminate in the provision of residential real estate transactions.
- Discriminate against someone because they are related to or associated with a member of a protected class.
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class.

Providing Information to Families and Owners

The PHA must take steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, the PHA must provide information to HCV applicants about civil rights requirements and the opportunity to rent in a broad range of neighborhoods 24 CFR 982.301 . The HAP contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

Discrimination Complaints

If an applicant or participant believes that any family member has been discriminated against by the PHA staff or an owner, the family should advise the

HACP. H□D requires the HACP to make every reasonable attempt to determine whether the applicant's or participant's assertions have merit and take any warranted corrective action. In addition, the HACP is required to provide the applicant or participant with information about how to file a discrimination complaint □24 CFR 982.304□.

□pon receipt of a housing discrimination complaint, the HACP is required to□

- Provide written notice of the complaint to those alleged and inform the complainant that such notice was made.
- Investigate the allegations and provide the complainant and those alleged with findings and either a proposed corrective action or an explanation of why corrective action is not warranted.
- □eep records of all complaints, investigations, notices, and corrective actions □Notice PIH 2014-20□.

HACP Policy:

Applicants or participants who believe that they have been subject to unlawful discrimination may notify the HACP either orally or in writing.

The HACP will attempt to remedy discrimination complaints made against the HACP and will conduct an investigation into all allegations of discrimination.

The HACP will provide a written notice to those alleged to have violated the rule. The HACP will also send a written notice to the complainant informing them that notice was sent to those alleged to have violated the rule, as well as information on how to complete and submit a housing discrimination complaint form to H□D's Office of Fair Housing and Equal Opportunity (FHEO).

Following the conclusion of the HACP's investigation, the HACP will provide the complainant and those alleged to have violated the rule with findings and either a proposed corrective action plan or an explanation of why corrective action is not warranted.

The HACP will keep a record of all complaints, investigations, notices, and corrective actions. (See Chapter 16.)

Additionally, the fair housing agency serving the City of Pittsburg is□

Pacific Community Services, Inc□
329 Railroad Avenue, Pittsburg, CA 94565
Phone□(925) 439-1056 or
Email□http□//www.pcsi.org/

PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

2-II.A. OVERVIEW

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

The PHA must ensure that persons with disabilities have full access to the PHA programs and services. This responsibility begins with the first contact by an interested family and continues through every aspect of the program.

HACP Policy:

The HACP will ask all applicants and participants if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the HACP, by including the following language:

> "*If you or anyone in your family is a person with disabilities and you require a specific accommodation in order to fully utilize HACP's programs and services, please contact the HACP.*"

A specific name and phone number of designated HACP staff will be provided to process requests for accommodation.

The HACP will display posters and other housing information and signage in locations throughout the HACP's office in such a manner as to be easily readable from a wheelchair.

2-II.B. DEFINITION OF REASONABLE ACCOMMODATION

A reasonable accommodation is an adjustment made to a rule, policy, practice, or service that allows a person with a disability to have equal access to the HCV program. For example, reasonable accommodations may include making home visits, extending the voucher term, or approving an exception payment standard in order for a participant to lease an accessible dwelling unit.

Federal regulations stipulate that, requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the PHA or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider's operations.

Types of Reasonable Accommodations

When needed, the PHA will modify normal procedures to accommodate the needs of a person with disabilities. Examples include:

- Permitting applications and reexaminations to be completed by mail.

- Conducting home visits.
- □sing higher payment standards (either within the acceptable range or with H□D approval of a payment standard outside the PHA range) if the HACP determines this is necessary to enable a person with disabilities to obtain a suitable housing unit.
- Providing time extensions for locating a unit, when necessary, because of lack of availability of accessible units or special challenges of the family in seeking a unit.
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with HACP staff.

2-II□C□REQUEST FOR AN ACCOMMODATION

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, H□D requires that the HACP treat the information as a request for a reasonable accommodation, even if no formal request is made □□oint Statement of the Departments of H□D and □ustice□ Reasonable Accommodations under the Fair Housing Act□.

The family must explain what type of accommodation is needed to provide the person with the disability full access to the HACP's programs and services.

If the need for the accommodation is not readily apparent or known to the PHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable connection, or nexus, between the requested accommodation and the individual's disability.

HACP Policy:

The HACP may encourage the family to make its request in writing using a HACP reasonable accommodation request form. However, the HACP will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted and regardless of whether the request is submitted on HACP's Reasonable Accommodation form.

The family must explain what type of accommodation is needed to provide the person with the disability full access to HACP's programs and services.

If the need for the accommodation is not readily apparent or known to the HACP, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability.

The request for a reasonable accommodation/reasonable modification need not use a specific written form and need not mention the Fair Housing Act, Section 504, or the ADA, or use the phrase "reasonable accommodation" or "reasonable modification." Requests for accommodation will be evaluated and decided upon by the Housing Manager and/or another staff member trained in and knowledgeable about fair housing and reasonable accommodations.

2-II.D. VERIFICATION OF DISABILITY

The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this chapter. The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.

Before providing an accommodation, the PHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the PHA's programs and services.

If a person's disability is obvious or otherwise known to the HACP, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required (Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act).

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the PHA, the PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the PHA will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in Chapter 16. In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability (Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act).
- The HACP must request *only information that is necessary to evaluate the disability-related need for the accommodation*. The HACP will not inquire about the nature or extent of any disability.
- Medical records ***will not*** be accepted or retained in the participant file.
- In the event that the HACP does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, the HACP Staff will dispose of it. In place of the information, the HACP will note in the file that the disability and other requested information have been verified, the date the verification was received, and the name and address of the knowledgeable professional who sent the information (Notice PIH 2010-26).

2-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION (Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act, Notice PIH 2010-26).

The HACP must approve a request for an accommodation if the following three

conditions are met□

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the HACP, or fundamentally alter the nature of the HACP's HCV program (including the obligation to comply with HUD requirements and regulations).

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the overall size of the HACP's program with respect to the number of employees, type of facilities and size of budget, type of operation including composition and structure of workforce, the nature and cost of the requested accommodation, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, the HACP may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that the HACP may verify the need for the requested accommodation.

HACP Policy:

After a request for an accommodation is presented, the HACP will respond in writing within 15 business days.

If the HACP denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of the HACP's operations), the HACP will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden.

If the HACP believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, the HACP will notify the family, in writing, of its determination within 15 business days from the date of the most recent discussion or communication with the family.

2-II□F□PROGRAM ACCESSIBILIT□ FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS

H□D regulations require the HACP to ensure that persons with disabilities related to hearing and vision have reasonable access to the HACP 's programs and services □24 CFR 8.6□.

At the initial point of contact with each applicant, the HACP shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

HACP Policy:

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication may be available.

To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with HACP staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third-party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

2-II. PHYSICAL ACCESSIBILITY

The HACP must comply with a variety of regulations pertaining to physical accessibility, including the following:

- Notice PIH 2010-26
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

The HACP's policies concerning physical accessibility must be readily available to applicants and participants. They can be found in three key documents:

- This plan describes the key policies that govern the HACP's responsibilities with regard to physical accessibility.

Notice PIH 2010-26 summarizes information about pertinent laws and implementing regulations related to nondiscrimination and accessibility in federally funded housing programs.

- The HACP Needs Assessment Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of HACP facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Newly constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the HCV program.

When issuing a voucher to a family that includes an individual with disabilities, the HACP will include a current list of available accessible units known to the HACP and may assist the family in locating an available accessible unit, if necessary.

In general, owners must permit the family to make reasonable modifications to the unit. However, the owner is not required to pay for the modification and may require that the

unit be restored to its original state at the family's expense when the family moves.

2-II.H. DENIAL OR TERMINATION OF ASSISTANCE

The HACP's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation. 24 CFR 982.552 (2)(iv).

When applicants with disabilities are denied assistance, the notice of denial must inform them of the HACP's informal review process and their right to request an informal review. In addition, the notice must inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal review process.

When a participant family's assistance is terminated, the notice of termination must inform them of the HACP's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, the HACP must consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to the HACP's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, the HACP must make the accommodation.

PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENC (LEP)

2-III A OVERVIEW

Language for LEP can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HCV program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Final Guidance to Federal Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published anuary 22, 2007, in the *Federal Register.*

The HACP will take affirmative steps to communicate with people who need services or information in a language other than English.

LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this administrative plan, LEP persons are HCV applicants and participants, and parents and family members of applicants and participants.

In order to determine the level of access needed by LEP persons, the HACP will take into consideration the following four factors (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the HCV program; (2) the frequency with which LEP persons come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to the HACP and costs. Considering these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the HACP.

2-III B ORAL INTERPRETATION

The HACP will offer competent interpretation services free of charge, upon request, to the LEP person.

HACP Policy:

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the HACP. The interpreter may be a family member or friend.

The HACP will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits.

Where feasible and possible, according to its language assistance plan (LAP),

the HACP will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents.

2-III.C. WRITTEN TRANSLATION

Translation is the replacement of a written text from one language into an equivalent written text in another language.

HACP Policy:

In order to comply with written-translation obligations, the HACP will take the following steps:

The HACP will provide written translations of vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or

If there are fewer than 50 persons in a language group that reaches the 5 percent trigger, the HACP does not translate vital written materials, but provides written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost.

2-III.D. IMPLEMENTATION PLAN

After completing the four-factor analysis and deciding what language assistance services are appropriate, the HACP shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If the HACP determines that it is not necessary to develop a written implementation plan, the absence of a written plan does not obviate the underlying obligation to ensure meaningful access by LEP persons to the PHA's HCV program and services.

HACP Policy

If it is determined that the HACP serves very few LEP persons, and the HACP has very limited resources, the HACP will not develop a written LEP plan but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants will be contacted for input into the process.

If the HACP determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) Identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) monitoring and updating the

LEP plan.

EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER FEDERAL CIVIL RIGHTS LAWS (24 CFR Parts 8.3 and 100.201)

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual; or
- Has a record of such impairment; or
- Is regarded as having such impairment

The phrase "physical or mental impairment" includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term "physical or mental impairment" includes but is not limited to such diseases and conditions as: orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

"Major life activities" includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

"Has a record of such impairment" means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

"Is regarded as having an impairment" is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the multiple sclerosis) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the HCV program

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this disability is not entitled to a reasonable accommodation under

federal civil rights and fair housing laws and regulations.

The H□D definition of a person with a disability is much narrower than the civil rights definition of disability. The H□D definition of a person with a disability is used for purposes of receiving the disabled family preference, the $400 elderly/disabled household deduction, the $480 dependent deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the HCV program, yet an accommodation is needed to provide equal opportunity.

Chapter 3

ELIGIBILIT□

INTRODUCTION

The HACP is responsible for ensuring that every individual and family admitted to the HCV program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the HACP to confirm eligibility and determine the level of the family's assistance.

To be eligible for the HCV program□

- The applicant family must□
  - □ualify as a family as defined by H□D and the HACP.
  - Have income at or below H□D-specified income limits.
  - □ualify on the basis of citizenship or the eligible immigrant status of family members.
  - Provide social security number information for household members as required.
  - Consent to the HACP's collection and use of family information as provided for in HACP-provided consent forms.
- The HACP must determine that the current or past behavior of household members does not include activities that are prohibited by H□D or the HACP.

This chapter contains three parts□

Part I□Definitions of Family and Household Members. This part contains H□D and HACP definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

Part II□Basic Eligibility Criteria. This part discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

Part III□Denial of Assistance. This part covers factors related to an applicant's past or current conduct (e.g. criminal activity) that can cause the HACP to deny assistance.

PART I: DEFINITIONS OF FAMIL AND HOUSEHOLD MEMBERS

3-I A OVERVIEW

Some eligibility criteria and program rules vary depending upon the composition of the family requesting assistance. In addition, some requirements apply to the family as a whole and others apply to individual persons who will live in the assisted unit. This section provides information that is needed to correctly identify family and household members, and to apply H D's eligibility rules.

3-I B FAMIL AND HOUSEHOLD 24 CFR 982 201(c) FR Notice 02/03/12 Notice PIH 2014-20

The terms *family* and *household* have different meanings in the HCV program.

Family

To be eligible for assistance, an applicant must qualify as a family. *Family,* as defined by H D includes, but is not limited to the following, regardless actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, disabled person, near-elderly person, or any other single person; or a group of persons residing together. Such group includes but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family), an elderly family, a near-elderly family, a disabled family, a displaced family, or the remaining member of a tenant family. The HACP has the discretion to determine if any other group of persons qualifies as a family.

Gender Identity means actual or perceived gender characteristics.
Sexual orientation means homosexuality, heterosexuality, or bisexuality.

> ***HACP Policy:***
> A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family.
>
> Each family must identify the individuals to be included in the family at the time of application and must notify the HACP if the family's composition changes.

Household

Household is a broader term that includes additional people who, with the HACP's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

3-I C FAMIL BREAKUP AND REMAINING MEMBER OF TENANT FAMIL

Family Brea up 24 CFR 982 315 Notice PIH 2017-08

Except under the following conditions, the HACP has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up

- If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, or stalking, the HACP must ensure that the victim retains assistance. (For documentation requirements and policies related to domestic violence, dating violence, sexual assault, and stalking, see section 16-IX. D of this plan.)
- In accordance with Notice PIH 2017-08, for H□D–Veterans Affairs Supportive Housing (H□D–VASH) vouchers, when the veteran is the perpetrator of domestic violence, dating violence, sexual assault, or stalking, the victim must continue to be assisted. Upon termination of the perpetrator's HUD–VASH voucher, the victim should be given a regular HCV if one is available, and the perpetrator's HUD–VASH voucher should be used to serve another eligible family. If a regular HCV is not available, the victim will continue to use the
- H□D–VASH voucher, which must be issued to another eligible family upon the voucher's turnover.
- If a court determines the disposition of property between members of the assisted family, the HACP is bound by the court's determination of which family members continue to receive assistance.

HACP Policy:

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open.

If a family breaks up into two otherwise eligible families while receiving assistance, only one of the new families will continue to be assisted.

In the absence of a judicial decision or an agreement among the original family members, the HACP will determine which family will retain their placement on the waiting list or continue to receive assistance. In making its determination, the HACP will take into consideration the following factors□(1) the interest of any minor children, including custody arrangements; (2) the interest of any ill, elderly, or disabled family members; (3) the interest of any family member who is the victim of domestic violence, dating violence, sexual assault, or stalking, including a family member who was forced to leave an assisted unit as a result of such actual or threatened abuse; (4) any possible risks to family members as a result of criminal activity; and (5) the recommendations of social service professionals (6) any original remaining members that can qualify as head of household.

Remaining Member of a Tenant Family □24 CFR 5□403□

The H□D definition of family includes the *remaining member of a tenant family,* which is a member of an assisted family who remains in the unit when other members of the family have left the unit. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

If dependents are the only “remaining members of a tenant family” and there is no family member able to assume the responsibilities of the head of household, see Chapter 6, Section 6-I.B, for the policy on “Caretakers for a Child.”

HACP Policy:

The disposition of a Housing Choice Voucher may be transferred to remaining family member(s) of a deceased participant under the following conditions:

- The remaining member named head of household must be 18 years of age or older and was previously listed on the HUD-50058.
- In the instance of an emancipated remaining family member, the emancipated remaining member shall have primary, legal custody of any remaining children (if applicable).
- A party, never having been included in the original family composition and who has gained primary, legal custody of the remaining children may become head of household, unless otherwise assisted or ineligible for the program.

3-I.D. HEAD OF HOUSEHOLD [24 CFR 5.504(b)]

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a cohead or spouse.

HACP Policy:

The family may designate any qualified family member as the head of household.

The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

3-I.E. SPOUSE, COHEAD, AND OTHER ADULT

A family may have a spouse or cohead, but not both [HUD-50058 IB, p. 13].

Spouse means the marriage partner of the head of household.

HACP Policy:

A *marriage partner* includes the partner in a "common law" marriage as defined in state law. The term “spouse” does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

A *cohead* is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one cohead.

HACP Policy:

Minors who are emancipated under state law may be designated as a cohead.

Other adult means a family member, other than the head, spouse, or cohead, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults.

3-I.F. DEPENDENT [24 CFR 5.603]

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, cohead, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a dependent allowance as described in Chapter 6.

Joint Custody of Dependents

HACP Policy:

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family ***51%*** percent or more of the time (***183 days*** out of the year).

When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the HACP will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

3-I.G. FULL-TIME STUDENT [24 CFR 5.603, HCV GB, p. 5-29]

A ***full-time student*** (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to be full-time is defined by the educational institution.

Identifying each FTS is important because: (1) each family member that is an FTS, other than the head, spouse, or cohead, qualifies the family for a dependent allowance; and (2) the earned income of such an FTS is treated differently from the income of other family members.

3-I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY [24 CFR 5.100 and 5.403, FR Notice 02/03/12]

Elderly Persons

An *elderly person* is a person who is at least 62 years of age.

Near-Elderly Persons

A *near-elderly person* is a person who is 50-61 years of age.

Elderly Family

An *elderly family* is one in which the head, spouse, cohead, or sole member is an elderly person. Identifying elderly families is important because elderly families qualify

for the elderly family allowance as described in Chapter 6.

3-I.I. PERSONS WITH DISABILITIES AND DISABLED FAMILY [24 CFR 5.403, FR Notice 02/03/12]

Persons with Disabilities

Under the HCV program, special rules apply to persons with disabilities and to any family whose head, spouse, or cohead is a person with disabilities. The technical definitions of individual with handicaps and persons with disabilities are provided in Exhibit 3-1 at the end of this chapter. These definitions are used for a number of purposes including ensuring that persons with disabilities are not discriminated against based upon disability.

As discussed in Chapter 2, the HACP must make all aspects of the HCV program accessible to persons with disabilities and consider reasonable accommodations requested based upon a person's disability.

Disabled Family

A *disabled family* is one in which the head, spouse, or cohead is a person with disabilities. Identifying disabled families is important because these families qualify for the disabled family allowance as described in Chapter 6.

Even though persons with drug or alcohol dependencies are considered persons with disabilities, this does not prevent the HACP from denying assistance for reasons related to alcohol and drug abuse in accordance with the policies found in Part III of this chapter, or from terminating assistance in accordance with the policies in Chapter 12, Section I.E.

3-I.J. GUESTS [24 CFR 5.100]

A *guest* is a person temporarily staying in the unit with the consent of a member of the household who has expressed or implied authority to so consent. The head of household is responsible for the conduct of visitors and guests, inside the unit as well as anywhere on or near HACP premises [24CFR 5.100]

HACP Policy:

A *guest* is a person temporarily staying in the unit with the consent of a member of the household who has expressed or implied authority to so consent. The head of household is responsible for the conduct of visitors and guests, inside the unit as well as anywhere on or near HACP premises [24CFR 5.100]

A guest can remain in the assisted unit no longer than ***15*** consecutive days or a total of ***45*** cumulative calendar days during any 12-month period.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the assisted household more than ***51%*** percent of the time, are not subject to the time limitations of guests as described above.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure is expected to last ***40*** consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

Participants cannot violate the terms of their lease if the lease is more restrictive than the Housing Authority's guest policies.

3-I.K. FOSTER CHILDREN AND FOSTER ADULTS

Foster adults are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone [24 CFR 5.609]. The term *foster child* is not specifically defined by the regulations.

Foster children and foster adults who are living with an applicant or who have been approved by the HACP to live with a participant family are considered household members but not family members. The income of foster children/adults is not counted in family annual income, and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603; HUD-50058 IB, p. 13].

HACP Policy:

A *foster child* is a child that is in the legal guardianship or custody of a state, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HUD space standards according to 24 CFR 982.401.

Children that are temporarily absent from the home as a result of placement in foster care are discussed in Section 3-I.L.

3-I.L. ABSENT FAMILY MEMBERS

Individuals may be absent from the family, either temporarily or permanently, for a variety of reasons including educational activities, placement in foster care, employment, illness, incarceration, and court order.

Definitions of Temporarily and Permanently Absent

HACP Policy:

Generally, an individual who is or is expected to be absent from the assisted unit for ***180*** consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally, an individual who is or is expected to be absent from the assisted unit for more than ***180*** consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students

HACP Policy:
When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the HACP indicating that the student has established a separate household, or the family declares that the student has established a separate household

Absences Due to Placement in Foster Care (24 CFR 5.403)
Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

HACP Policy:
If a child has been placed in foster care, the HACP will verify with the appropriate agency whether or when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

Absent Head, Spouse, or Cohead

HACP Policy:
An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

Family Members Permanently Confined for Medical Reasons (HCV GB, p. 5-22)
If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted (HCV GB, p. 5-22).

HACP Policy:
The HACP will request verification of the family member's permanent absence from a responsible medical professional. If the responsible medical professional cannot provide a determination, the person will be considered temporarily absent. If the family certifies that the family member is confined on a permanent basis, they may present, and the HACP will consider, any additional documentation or evidence.

Return of Permanently Absent Family Members

HACP Policy:
The family must request HACP approval for the return of any adult family members that the HACP previously determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this chapter.

3-I M LIVE-IN AIDE

A *live-in aide* is a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who (1) is determined to be essential to the care and well-being of the persons, (2) is not obligated for the support of the persons, and (3) would not be living in the unit except to provide the necessary supportive services (24 CFR 5.403).

The HACP must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by the family member with disabilities.

The income of a live-in aide is not counted in the calculation of annual income for the family (24 CFR 5.609(b)). Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. Because live-in aides are not *family* members, a relative who serves as a live-in aide would not be considered a remaining member of a tenant family.

HACP Policy:

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near elderly, or disabled family member. For continued approval, the family must submit a new, written request-subject to HACP verification-at each annual reexamination.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

All live-in aides will be subject to HACP's non-income related screening.

The HACP ***will not*** approve a particular person as a live-in aide, and may withdraw such approval if (24 CFR 982.316(b) if

- The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program,
- The person commits drug-related criminal activity or violent criminal activity; or
- The person currently owes rent or other amounts to the HACP or to another HACP in connection with Section 8 or public housing assistance under the 1937 Act.

The HACP will notify the family of its decision in writing within 10 business days of receiving a request for a live-in aide, including all required documentation related to the request.

PART II: BASIC ELIGIBILITY CRITERIA

3-II.A. INCOME ELIGIBILITY AND TARGETING

Income Limits

HUD establishes income limits for all areas of the country and publishes them annually in the *Federal Register*. They are based upon estimates of median family income with adjustments for family size. The income limits are used to determine eligibility for the program and for income targeting purposes as discussed in this section.

Definitions of the Income Limits [24 CFR 5.603(b)]

Low-income family*:* A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.

Very low-income family: A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.

Extremely low-income family*:* A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher.

Area median income is determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30, 50, or 80 percent of the median income for an area if HUD finds that such variations are necessary because of unusually high or low family incomes.

Using Income Limits for Eligibility [24 CFR 982.201]

Income limits are used for eligibility only at admission. Income eligibility is determined by comparing the annual income of an applicant to the applicable income limit for their family size. In order to be income eligible, an applicant family must be one of the following:

- A *very low-income* family
- A *low-income* family that has been "continuously assisted" under the 1937 Housing Act. A family is considered to be continuously assisted if the family is already receiving assistance under any 1937 Housing Act program at the time the family is admitted to the HCV program [24 CFR 982.4]

  HACP Policy:
  The HACP will consider a family to be continuously assisted if the family was leasing a unit under any 1937 Housing Act program at the time they were selected from the HACP's waiting list.

- A low-income family that qualifies for voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multifamily housing homeownership) developments, or other HUD-assisted multifamily homeownership programs covered by 24 CFR 248.173.

- A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing as defined in 24 CFR 248.101.

H□D permits the HACP to establish additional categories of low-income families that may be determined eligible. The additional categories must be consistent with the HACP 5 Year & Annual Plan and the County Consolidated plans for local governments within the HACP's jurisdiction.

HACP Policy

The HACP has not established any additional categories of eligible low-income families.

Using Income Limits for Targeting □24 CFR 982□201□

At least seventy percent (75□) of the families admitted to the HACP's program during a HACP fiscal year must be extremely low-income families. H□D may approve exceptions to this requirement if the HACP demonstrates that it has made all required efforts but has been unable to attract an adequate number of qualified extremely low-income families.

Families continuously assisted under the 1937 Housing Act and families living in eligible low-income housing that are displaced as a result of prepayment of a mortgage or voluntary termination of a mortgage insurance contract are not counted for income targeting purposes.

3-II□B□CITI□ENSHIP OR ELIGIBLE IMMIGRATION STATUS □24 CFR 5, Subpart E□

Housing assistance is available only to individuals who are □.S. citizens, □.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.

All applicant families must be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with the HACP's LEP Plan, the notice must be in a language that is understood by the individual if the individual is not proficient in English.

Declaration □24 CFR 5□508□

H□D requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens, the declaration must be signed personally by the head, spouse, cohead, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below). No declaration is required for live-in aides, foster children, or foster adults.

U.S. Citizens and Nationals

In general, citizens and nationals are required to submit only a signed declaration as verification of their status. However, H□D regulations permit the HACP to request additional documentation of their status, such as a passport.

> ***HACP Policy:***
>
> Family members who declare citizenship or national status will not be required to provide additional documentation unless the HACP receives information indicating that an individual's declaration may not be accurate.

Eligible Noncitizens

In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with HACP efforts to verify their immigration status as described in Chapter 7. The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the □.S., the conditions under which eligible immigration status has been granted, the person's age, and the date on which the family began receiving HUD-funded assistance. Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the □.S. Government and the Governments of the FAS □Public Law 106-504□.

Ineligible Noncitizens

Those noncitizens who do not wish to contend their immigration status are required to have their names listed on a noncontending family members listing, signed by the head, spouse, or cohead (regardless of citizenship status), indicating their ineligible immigration status. The HACP is not required to verify a family member's ineligible status and is not required to report an individual's unlawful presence in the □.S. to the □nited States Citizenship and Immigration Services (□SCIS).

Providing housing assistance to noncitizen students is prohibited □24 CFR 5.522□. This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

Mixed Families

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination. See Chapter 6 for a discussion of how rents are prorated, and Chapter 16 for a discussion of informal hearing procedures.

Ineligible Families [24 CFR 5.514(d), (e), and (f)]

A HACP may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member [24 CFR 5.512(b)]. Otherwise, no individual or family may be assisted prior to the affirmative establishment by the HACP that the individual or at least one family member is eligible. Verification of eligibility for this purpose occurs when the individual or family members have submitted documentation to the HACP in accordance with program requirements [24 CFR 5.512(a)].

HACP Policy:

The HACP will not provide assistance to a family before the verification of at least one family member is a U.S. citizen, national, or noncitizen with eligible immigration status.

When the HACP determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice within 10 business days of the determination.

The notice will explain the reasons for the denial of assistance, that the family may be eligible for proration of assistance and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with the HACP. The informal hearing with the HACP may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice must also inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal hearing process.

Informal hearing procedures are contained in Chapter 16.

Timeframe for Determination of Citizenship Status [24 CFR 5.508(g)]

For new occupants joining the assisted family, the HACP must verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first.

If an individual qualifies for a time extension for the submission of required documents, the HACP must grant such an extension for no more than 30 days [24 CFR 5.508(h)]. Each family member is required to submit evidence of eligible status only one time during continuous occupancy.

HACP Policy:

The HACP will verify the citizenship status of applicants at the time other eligibility factors are determined.

3-II.C. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and 5.218, Notice PIH 2012-10]

The applicant and all members of the applicant's household must disclose the complete and accurate social security number (SSN) assigned to each household member, and

the documentation necessary to verify each SSN. If a child under age 6 has been added to an applicant family within 6 months prior to voucher issuance, an otherwise eligible family may be admitted to the program and must disclose and document the child's SSN within 90 days of the effective date of the initial HAP contract. A detailed discussion of acceptable documentation is provided in Chapter 7.
Note: These requirements do not apply to noncitizens who do not contend eligible immigration status.

In addition, each participant who has not previously disclosed an Social Security Number (SSN), has previously disclosed an SSN that H□D or the Social Security Administration (SSA) determined was invalid, or has been issued a new SSN must submit their complete and accurate SSN and the documentation required to verify the SSN at the time of the next interim or annual reexamination or recertification. Participants age 62 or older as of □anuary 31, 2010, whose determination of eligibility was begun before □anuary 31, 2010, are exempt from this requirement and remain exempt even if they move to a new assisted unit.
The HACP must deny assistance to an applicant family if they do not meet the SSN disclosure and documentation requirements contained in 24 CFR 5.216.

3-II□D□FAMIL□ CONSENT TO RELEASE OF INFORMATION □24 CFR 5□230□ HCV GB, p□5-13□

H□D requires each adult family member, and the head of household, spouse, or cohead, regardless of age, to sign form H□D-9886, Authorization for the Release of Information/Privacy Act Notice, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Chapter 7 provides detailed information concerning the consent forms and verification requirements.
The HACP must deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information in accordance with 24 CFR 5, Subparts B and F □24 CFR 982.552(b)(3)□.

3-II□E□STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION □24 CFR 5□612, FR Notice 4/10/06, FR Notice 9/21/16□

Section 327 of Public Law 109-115 and the implementing regulation at 24 CFR 5.612 established new restrictions on the eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

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 student's eligibility must be examined along with the income eligibility of the student's parents. In these cases, both the student and the student's parents must be income eligible for the student to receive HCV assistance. If, however, a student in these circumstances is determined independent from his/her parents in accordance with HACP Policy, the income of the student's parents will not be considered in determining the student's eligibility.

The new law does not apply to students who reside with parents who are applying to receive HCV assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

Definitions

In determining whether and how the new eligibility restrictions apply to a student, the HACP will rely on the following definitions FR Notice 4/10/06, FR Notice 9/21/16

Dependent Child

In the context of the student eligibility restrictions*, dependent child* means a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* in 24 CFR 5.603, which states that the dependent must be a member of the assisted family, other than the head of household or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. Foster children and foster adults are not considered dependents.

Independent Student

HACP Policy:

The HACP 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

- The individual is at least 24 years old by December 31 of the award year for which aid is sought.
- 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.
- The individual is a veteran of the .S. Armed Forces or is currently serving on active duty in the Armed Forces for other than training purposes.
- The individual is a graduate or professional student.
- The individual is 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 Mc inney-Vento Homeless Assistance Act or a designee of the director or 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.
- 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 HACP 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.

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

Institution of Higher Education

The HACP 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

HACP 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

The HACP 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

HACP Policy

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

Vulnerable Youth

HACP Policy:

A *vulnerable youth* is an individual who meets the □.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□

- 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.
- 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 Mc□inney-Vento Homeless Assistance Act or a designee of the director or a financial aid administrator.

Determining Student Eligibility

If a student is applying for assistance on his/her own, apart from his/her parents, the HACP 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, the HACP 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.

HACP Policy:

For any student who is subject to the 5.612 restrictions, the HACP 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 the HACP determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, the HACP 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.

Determining Parental Income Eligibility

HACP Policy:

For any student who is subject to the 5.612 restrictions and who does not satisfy the definition of *independent student* in this section, the HACP will determine the income eligibility of the student's parents as follows:

- If the student's parents are married and living together, the HACP will obtain a joint income declaration and certification of joint income from the parents.
- If the student's parent is widowed or single, the HACP will obtain an income declaration and certification of income from that parent.
- If the student's parents are divorced or separated, the HACP will obtain an income declaration and certification of income from each parent.
- If the student has been living with one of his/her parents and has not had contact with or does not know where to contact his/her other parent, the HACP will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The HACP will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

In determining the income eligibility of the student's parents, the HACP will use the income limits for the jurisdiction in which the parents live.

PART III: DENIAL OF ASSISTANCE

3-III.A. OVERVIEW

A family that does not meet the eligibility criteria discussed in Parts I and II, must be denied assistance. This section will discuss other situations and circumstances in which denial of assistance is mandatory for the HACP and those in which denial of assistance is optional for the HACP.

Forms of Denial [24 CFR 982.552(a)(2), HCV GB, p. 5-35]

Denial of assistance includes any of the following:

- Not placing the family's name on the waiting list
- Denying or withdrawing a voucher
- Not approving a request for tenancy or refusing to enter into a HAP contract
- Refusing to process a request for or to provide assistance under portability procedures

Prohibited Reasons for Denial of Program Assistance [24 CFR 982.202(b), 24 CFR 5.2005(b)]

HUD rules prohibit denial of program assistance to the program based on any of the following criteria:

- Age, disability, race, color, religion, sex, or national origin (See Chapter 2 for additional information about fair housing and equal opportunity requirements.)
- Where a family lives prior to admission to the program
- Where the family will live with assistance under the program. Although eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside the HACP's jurisdiction under portability. (See Chapter 10.)
- Whether members of the family are unwed parents, recipients of public assistance, or children born out of wedlock
- Whether the family includes children
- Whether a family decides to participate in a family self-sufficiency program
- Whether or not a qualified applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking if the applicant is otherwise qualified for assistance (See section 3-III.G.)

3-III.B. MANDATORY DENIAL OF ASSISTANCE [24 CFR 982.553(a)]

HUD requires the HACP to deny assistance in the following cases:

- Any member of the household has been evicted from federally assisted housing in the last 3 years for drug-related criminal activity. HUD permits, but does not require, the HACP to admit an otherwise-eligible family if the household member has completed a HACP-approved drug rehabilitation program or the circumstances

which led to eviction no longer exist (e.g., the person involved in the criminal activity no longer lives in the household).

HACP Policy:
The HACP will admit an otherwise-eligible family who was evicted from federally assisted housing within the past 3 (Three) years for drug-related criminal activity, if the HACP is able to verify that the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program approved by the HACP or the person who committed the crime, is no longer living in the household.

- The HACP makes the determination whether a household member is currently engaged in the use of illegal drugs.

HACP Policy:
Currently engaged in is defined as any use of illegal drugs during the previous six months.

- The HACP has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

HACP Policy:
In determining reasonable cause, the HACP will consider all credible evidence, including but not limited to, any record of convictions, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. The HACP will also consider evidence from treatment providers or community-based organizations providing services to household members.

- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing
- Any household member is subject to a lifetime registration requirement under a state sex offender registration program

3-III.C. OTHER PERMITTED REASONS FOR DENIAL OF ASSISTANCE
HUD permits, but does not require, the HACP to deny assistance for the reasons discussed in this section.

Criminal Activity [24 CFR 982.553]
HUD permits, but does not require, the HACP to deny assistance if the HACP determines that any household member is currently engaged in or has engaged in during a reasonable time before the family would receive assistance, certain types of criminal activity.

HACP Policy:

If any household member is currently engaged in or has engaged in any of the following criminal activities, within the past five years, the family will be denied assistance.

Drug-related criminal activity, defined by H□D as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug □24 CFR 5.100□.

Violent criminal activity, defined by H□D as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage □24 CFR 5.100□.

Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or

Criminal activity that may threaten the health or safety of property owners, management staff, and persons performing contract administration functions or other responsibilities on behalf of the HACP (including a HACP employee or a HACP contractor, subcontractor, or agent)□

* *Immediate vicinity* means within a three-block radius of the premises.

Evidence of such criminal activity includes, but is not limited to□

- Any ***conviction for drug-related or violent criminal activity*** within the past **5 years**.
- Any record of eviction from public or privately-owned housing as a result of criminal activity within the past 5 years.
- A conviction for drug-related or violent criminal activity will be given more weight than an arrest for such activity.

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

Previous Behavior in Assisted Housing □24 CFR 982□552(c)□

H□D authorizes the HACP to deny assistance based on the family's previous behavior in assisted housing. Per the alternative requirements listed in the *Federal Register* notice dated December 29, 2014, PHAs are no longer permitted to deny assistance to a family because the family previously failed to meet its obligations under the Family Self-Sufficiency (FSS) program □FR Notice 12/29/14□.

HACP Policy:

The HACP **will** deny assistance to an applicant family if

- The family does not provide information that the HACP or H□D determines is necessary in the administration of the program.
- The family does not provide complete and true information to the HACP.
- Any family member has been evicted from federally assisted housing in the last five years.
- 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 HACP 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 HACP for amounts the HACP 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 the HACP, 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 *HACP* personnel□*Abusive or violent behavior towards HACP personnel* includes verbal as well as physical abuse or violence**□□se 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, the HACP will consider the factors discussed in Section 3-III.E. □pon consideration of such factors, the HACP may, on a case-by-case basis, decide not to deny assistance.

3-III□D□SCREENING

Screening for Eligibility

PHAs are authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the HCV program. This authority assists the HACP in complying with H□D requirements and HACP policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to obtain access to the records the HACP must require every applicant family to submit a consent form signed by each adult household member □24 CFR 5.903□.

- The HACP will perform a criminal background check through a third-party vendor or for every adult household member.
  If the results of the criminal background check indicate that there may be past criminal activity, but the results are inconclusive, the HACP will request a fingerprint card and will request information from the National Crime Information center (NCIC).

PHAs are required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided (24 CFR 982.553(a)(2)(i)).

HACP Policy:
The HACP will use the third-party vendor or Dru Sjodin National Sex Offender database to screen applicants for admission. Additionally, PHAs must ask whether the applicant, or any member of the applicant's household, is subject to a lifetime registered sex offender registration requirement in any state (Notice PIH 2012-28).

If the HACP proposes to deny assistance based on a criminal record or on lifetime sex offender registration information, the HACP must notify the household of the proposed action and must provide the subject of the record and the applicant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission. (24 CFR 5.903(f) and 5.905(d)).

Screening for Suitability as a Tenant (24 CFR 982.307)
The HACP has no liability or responsibility to the owner for the family's behavior or suitability for tenancy. The HACP has the authority to conduct additional screening to determine whether an applicant is likely to be a suitable tenant.

HACP Policy:
The HACP will not conduct additional screening to determine an applicant family's suitability for tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. The HACP must inform the owner that screening and selection for tenancy is the responsibility of the owner. An owner may consider a family's history with respect to factors such as (payment of rent and utilities, caring for a unit and premises, respecting the rights of other residents to the peaceful enjoyment of their housing, criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

H(D requires the HACP to provide prospective owners with the family's current and prior address (as shown in HACP records) and the name and address (if known) of the owner at the family's current and prior addresses. H(D permits the HACP to provide

owners with additional information, as long as families are notified that the information will be provided, and the same type of information is provided to all owners.

The HACP may not disclose to the owner any confidential information provided to the HACP by the family in response to a HACP request for documentation of domestic violence, dating violence, sexual assault, or stalking except at the written request or with the written consent of the individual providing the documentation
□24 CFR 5.2007(a)(4)□.

HACP Policy:
The HACP will inform owners of their responsibility to screen prospective tenants and will provide owners with the required known name and address information, at the time of the initial H□S inspection or before. The HACP will not provide any additional information to the owner, such as tenancy history or criminal history, etc.

3-III□E□CRITERIA FOR DECIDING TO DEN□ ASSISTANCE
Evidence □24 CFR 982□553(c)□

HACP Policy:
The HACP will use the concept of the preponderance of the evidence as the standard for making all admission decisions.
Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Consideration of Circumstances □24 CFR 982□552(c)(2)□
H□D authorizes the HACP to consider all relevant circumstances when deciding whether to deny assistance based on a family's past history except in the situations for which denial of assistance is mandatory (see Section 3-III.B).

HACP Policy:
The HACP will consider the following facts and circumstances prior to making its decision□

- The seriousness of the case, especially with respect to how it would affect other residents' safety or property
- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure to act
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or (as discussed further in section 3-III.G) a victim of domestic violence, dating violence, sexual assault, or stalking.
- The length of time since the violation occurred, including the age of the individual at the time of the conduct, as well as the family's recent history and the likelihood of favorable conduct in the future

While a record of arrest(s) will not be used as the sole basis for denial, an arrest may, however, trigger an investigation to determine whether the applicant actually engaged in disqualifying criminal activity. As part of its investigation, the HACP may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The HACP may also consider

- Any statements made by witnesses or the applicant not included in the police report
- Whether criminal charges were filed
- Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal
- Any other evidence relevant to determining whether or not the applicant engaged in disqualifying activity

Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property

In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully.

The HACP will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

Removal of a Family Member's Name from the Application
Should the HACP's screening process reveal that an applicant's household includes an individual subject to state lifetime registered sex offender registration, the HACP must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the HACP must deny admission to the family Notice PIH 2012-28.

For other criminal activity, the HACP may permit the family to exclude the culpable family members as a condition of eligibility. 24 CFR 982.552(c)(2)(ii).

HACP Policy:
As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit, stay as a guest, or reside in the assisted unit.

After admission to the program, the family must present evidence of the former family member's current address upon HACP request.

Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]
If the family includes a person with disabilities, the HACP's decision concerning denial of admission is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

***HACP Policy*:**
If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, the HACP will determine whether the behavior is related to the stated disability. If so, upon the family's request, the HACP will determine whether admitting the family as a reasonable accommodation is appropriate. The HACP will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance. See Chapter 2 for a discussion of reasonable accommodation.

3-III.F. NOTICE OF ELIGIBILITY OR DENIAL
If the family is eligible for assistance, the HACP will notify the family in writing and schedule a tenant briefing, as discussed in Chapter 5.

If the HACP determines that a family is not eligible for the program for any reason, the family must be notified promptly. The notice must describe: (1) the reasons for which assistance has been denied, (2) the family's right to an informal review, and (3) the process for obtaining the informal review [24 CFR 982.554 (a)]. See Chapter 16, for informal review policies and procedures.

HACP Policy:
The family will be notified of a decision to deny assistance in writing within **10 business days** of the determination.

If a HACP uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the HACP can move to deny the application. In addition, a copy of the record must be provided to the subject of the record [24 CFR 5.903(f) and 5.905(d)]. The HACP must give the family an opportunity to dispute the accuracy and relevance of that record in the informal review process in accordance with program requirements [24 CFR 982.553(d)].

HACP Policy:
If based on a criminal record or sex offender registration information, an applicant family appears to be ineligible, the HACP will notify the family in writing of the proposed denial and provide a copy of the record to the applicant and to the subject of the record. The family will be given 10 business days to dispute the accuracy and relevance of the information. If the family does not contact the HACP to dispute the information within that ***10-business-day*** period, the HACP 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 2013 (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 or as a direct result of the fact 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 VAWA Notice of Occupancy Rights (form HUD–5380) and a domestic violence certification form (HUD-5382) at the time the applicant is denied.

HACP Policy:

The HACP acknowledges that a victim of domestic violence, dating violence, sexual assault, or stalking may have an unfavorable history (e.g., a poor credit history, poor rental history, a record of previous damage to an apartment, a prior arrest record) due to adverse factors that would warrant denial under the HACP's policies.

While the HACP is not required to identify whether adverse factors that resulted in the applicant's denial are a result of domestic violence, dating violence, sexual assault, or stalking, the applicant may inform the HACP that their status as a victim is directly related to the grounds for the denial. The HACP will request that the applicant provide enough information to the HACP to allow the HACP to make an objectively reasonable determination, based on all circumstances, whether the adverse factor is a direct result of his or her status as a victim.

The HACP will include in its notice of denial the VAWA information described in section 16-IX.C of this plan as well as including a copy of the form HUD-5382. The HACP will request in writing that an applicant wishing to claim protection under VAWA notify the HACP within 14 business days of making the request.

Documentation

Victim Documentation [24 CFR 5.2007]

HACP 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, the HACP will request in writing that the applicant provide documentation supporting the claim in accordance with section 16-IX.D of this plan.

Perpetrator Documentation

HACP Policy:
If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following

- A signed statement (1) requesting that the perpetrator be removed from the application; and (2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit.

- Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

E□HIBIT 3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES

Person with Disabilities □24 CFR 5□403□

The term *person with disabilities* means a person who has any of the following types of conditions□

- Has a disability, as defined in 42 □.S.C. Section 423(d)(1)(A), which reads□
  Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death, or which has lasted or can be expected to last for a continuous period of not less than 12 months; *or*

  In the case of an individual who has attained the age of 55 and is blind (within the meaning of "blindness" as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.
- Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act of 2000 □42 □.S.C.15002(8)□, which defines developmental disability in functional terms as follows□
-

  (A) In General

  The term "developmental disability" means a severe, chronic disability of an individual that□
  (i) is attributable to a mental or physical impairment or combination of mental and physical impairments,
  (ii) is manifested before the individual attains age 22,
  (iii) is likely to continue indefinitely,
  (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity□(I) Self-care, (II) Receptive and expressive language, (III) Learning, (IV) Mobility, (V) Self-direction, (VI) Capacity for independent living, (VII) Economic self-sufficiency; and
  (v) reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

  (B) Infants and □oung Children

  An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.

- Has a physical, mental, or emotional impairment that is expected to be of long continued and indefinite duration; substantially impedes his or her ability to live independently and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.
- People with the acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiological agent for AIDS are not excluded from this definition.
- A person whose disability is based solely on any drug or alcohol dependence does not qualify as a person with disabilities for the purposes of this program.

For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term person with disabilities refers to an individual with handicaps.

Individual with Handicaps (24 CFR 8.3)

Individual with handicaps means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment. The term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others. As used in this definition, the phrase:

(1) Physical or mental impairment includes:
   (a) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
   (b) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.
(2) *Major life activities* mean functions such as caring for oneself, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.
(3) Has a record of such an impairment means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.
(4) *Is regarded as having an impairment* means:
   (a) Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a

limitation.

(b) Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment; or

(c) Has none of the impairments defined in paragraph (1) of this section but is treated by a recipient as having such an impairment.

EXHIBIT 3-2: DEFINITION OF INSTITUTION OF HIGHER EDUCATION (20 USC 1001 and 1002)

Eligibility of Students for Assisted Housing Under Section 8 of the US Housing Act of 1937 Supplementary Guidance Notice Federal Register, April 10, 2006

Institution of Higher Education shall have the meaning given this term in the Higher Education Act of 1965 in 20 .S.C. 1001 and 1002.

Definition of ''Institution of Higher Education'' From 20 U.S.C. 1001

(a) Institution of higher education. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term ''institution of higher education'' means an educational institution in any state that
   (1) Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate,
   (2) Is legally authorized within such state to provide a program of education beyond secondary education,
   (3) Provides an educational program for which the institution awards a bachelor's degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree,
   (4) Is a public or other nonprofit institution; and
   (5) Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted pre-accreditation status by such an agency or association that has been recognized by the Secretary for the granting of pre-accreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.

(b) Additional institutions included. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term ''institution of higher education'' also includes—
   (1) Any school that provides not less than a 1-year program of training to prepare students for gainful employment in a recognized occupation and that meets the provision of paragraphs (1), (2), (4), and (5) of subsection (a) of this section; and
   (2) A public or nonprofit private educational institution in any state that, in lieu of the requirement in subsection (a)(1) of this section, admits as regular student persons who are beyond the age of compulsory school attendance in the state in which the institution is located.

(c) List of accrediting agencies. For purposes of this section and section 1002 of this title, the Secretary shall publish a list of nationally recognized accrediting agencies or associations that the Secretary determines, pursuant to subpart 2 of part G of subchapter IV of this chapter, to be reliable authority as to the quality of the education or training offered.

Definition of ‘‘Institution of Higher Education’’ From 20 U.S.C. 1002

(a) Definition of institution of higher education for purposes of student assistance programs

(1) Inclusion of additional institutions. Subject to paragraphs (2) through (4) of this subsection, the term ‘‘institution of higher education’’ for purposes of subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 includes, in addition to the institutions covered by the definition in section 1001 of this title—

(A) A proprietary institution of higher education (as defined in subsection (b) of this section),
(B) A postsecondary vocational institution (as defined in subsection (c) of this section); and
(C) Only for the purposes of part B of subchapter IV of this chapter, an institution outside the □nited States that is comparable to an institution of higher education as defined in section 1001 of this title and that has been approved by the Secretary for the purpose of part B of subchapter IV of this chapter.

(2) Institutions outside the □nited States
(A) In general. For the purpose of qualifying as an institution under paragraph (1)(C), the Secretary shall establish criteria by regulation for the approval of institutions outside the □nited States and for the determination that such institutions are comparable to an institution of higher education as defined in section 1001 of this title (except that a graduate medical school, or a veterinary school, located outside the □nited States shall not be required to meet the requirements of section 1001 (a)(4) of this title). Such criteria shall include a requirement that a student attending such school outside the □nited States is ineligible for loans made, insured, or guaranteed under part B of subchapter IV of this chapter unless—

(i) In the case of a graduate medical school located outside the □nited States—
(I)(aa) At least 60 percent of those enrolled in, and at least 60 percent of the graduates of, the graduate medical school outside the □nited States were not persons described in section 1091(a)(5) of this title in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; and
(bb) At least 60 percent of the individuals who were students or graduates of the graduate medical school outside the □nited States or Canada (both nationals of the □nited States and others) taking the examinations administered by the Educational Commission for Foreign Medical Graduates received a passing score in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; or

(II) The institution has a clinical training program that was approved by a state as of □anuary 1, 1992; or

(ii) In the case of a veterinary school located outside the □nited States that does not meet the requirements of section 1001(a)(4) of this title, the institution's students complete their clinical training at an approved veterinary school located in the □nited States.

(B) Advisory panel

(i) In general. For the purpose of qualifying as an institution under paragraph (1)(C) of this subsection, the Secretary shall establish an advisory panel of medical experts that shall—
(I) Evaluate the standards of accreditation applied to applicant foreign medical schools; and
(II) Determine the comparability of those standards to standards for accreditation applied to □nited States medical schools.
(ii) Special rule if the accreditation standards described in clause (i) are determined not to be comparable, the foreign medical school shall be required to meet the requirements of section 1001 of this title.

(C) Failure to release information. The failure of an institution outside the □nited States to provide, release, or authorize release to the Secretary of such information as may be required by subparagraph (A) shall render such institution ineligible for the purpose of part B of subchapter IV of this chapter.

(C) Special rule. If, pursuant to this paragraph, an institution loses eligibility to participate in the programs under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, then a student enrolled at such institution may, notwithstanding such loss of eligibility, continue to be eligible to receive a loan under part B while attending such institution for the academic year succeeding the academic year in which such loss of eligibility occurred.

(3) Limitations based on course of study or enrollment. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—

(A) Offers more than 50 percent of such institution's courses by correspondence, unless the institution is an institution that meets the definition in section 2471 (4)(C) of this title,
(B) Enrolls 50 percent or more of the institution's students in correspondence courses, unless the institution is an institution that meets the definition in such section, except that the Secretary, at the request of such institution, may waive the applicability of this subparagraph to such institution for good cause, as determined by the Secretary in the case of an institution of higher

education that provides a 2-or 4-year program of instruction (or both) for which the institution awards an associate or baccalaureate degree, respectively;

(C) Has a student enrollment in which more than 25 percent of the students are incarcerated, except that the Secretary may waive the limitation contained in this subparagraph for a nonprofit institution that provides a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor's degree, or an Associate Degree or a postsecondary diploma, respectively; or

(D) Has a student enrollment in which more than 50 percent of the students do not have a secondary school diploma or its recognized equivalent, and does not provide a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor's degree or an Associate degree, respectively, except that the Secretary may waive the limitation contained in this subparagraph if a nonprofit institution demonstrates to the satisfaction of the Secretary that the institution exceeds such limitation because the institution serves, through contracts with Federal, State, or local government agencies, significant numbers of students who do not have a secondary school diploma or its recognized equivalent.

(4) Limitations based on management. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if—

(A) The institution, or an affiliate of the institution that has the power, by contract or ownership interest, to direct or cause the direction of the management or policies of the institution, has filed for bankruptcy, except that this paragraph shall not apply to a nonprofit institution, the primary function of which is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankruptcy under chapter 11 of title 11 between uly 1, 1998, and December 1, 1998; or

(B) The institution, the institution's owner, or the institution's chief executive officer has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 or has been judicially determined to have committed fraud involving funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42.

(5) Certification. The Secretary shall certify an institution's qualification as an institution of higher education in accordance with the requirements of subpart 3 of part G of subchapter IV of this chapter.

(6) Loss of eligibility. An institution of higher education shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution is removed from eligibility for funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 as a result of an action pursuant to part G of subchapter IV of this chapter.

(b) Proprietary institution of higher education
(1) Principal criteria. For the purpose of this section, the term ‘‘proprietary institution of higher education’’ means a school that—
(A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation,
(B) Meets the requirements of paragraphs (1) and (2) of section 1001 (a) of this title,
(C) Does not meet the requirement of paragraph (4) of section 1001 (a) of this title,
(D) Is accredited by a nationally recognized accrediting agency or association recognized by the Secretary pursuant to part G of subchapter IV of this chapter,
(E) Has been in existence for at least 2 years; and

(F) Has at least 10 percent of the school's revenues from sources that are not derived from funds provided under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, as determined in accordance with regulations prescribed by the Secretary.
(2) Additional institutions. The term ‘‘proprietary institution of higher education’’ also includes a proprietary educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular student persons who are beyond the age of compulsory school attendance in the State in which the institution is located.
(c) Postsecondary vocational institution.
(1) Principal criteria For the purpose of this section, the term ‘‘postsecondary vocational institution’’ means a school that—
(A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation,
(B) Meets the requirements of paragraphs (1), (2), (4), and (5) of section 1001 (a) of this title; and
(C) Has been in existence for at least 2 years.
(2) Additional institutions. The term ‘‘postsecondary vocational institution’’ also includes an educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular student persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

Chapter 4

APPLICATIONS, WAITING LIST AND TENANT SELECTION

INTRODUCTION

When a family wishes to receive assistance under the HCV program, the family must submit an application that provides the HACP with the information needed to determine the family's eligibility. HUD requires the HACP to place all families that apply for assistance on a waiting list. When HCV assistance becomes available, the HACP must select families from the waiting list in accordance with H□D requirements and HACP policies as stated in the administrative plan and the annual plan.

The HACP is required to adopt clear policies and procedures for accepting applications, placing families on the waiting list, and selecting families from the waiting list, and must follow these policies and procedures consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by H□D or the HACP that justify their selection. Examples of these are the selection of families for income targeting and the selection of families that qualify for targeted funding.

H□D regulations require that all families have an equal opportunity to apply for and receive housing assistance, and that the HACP affirmatively further fair housing goals in the administration of the program □24 CFR 982.53, HCV GB p. 4-1□. Adherence to the selection policies described in this chapter ensures that the HACP will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes H□D and HACP policies for taking applications, managing the waiting list and selecting families for HCV assistance. The policies outlined in this chapter are organized into three sections, as follows□

Part I□The Application Process. This section discusses how applicants can obtain and submit applications and provides an overview of the application process because demand for housing far exceeds available funding, HACP will only provide HCV assistance to eligible families on its wait list, with the exception of families transferring into the program through portability. The HACP will utilize a lottery to place applicants on the wait list. A lottery ensures that all applicants who express a need for assistance are given an equal opportunity to apply for and receive a voucher. d.

Part II□Managing the Waiting List. This section presents the policies that govern how the HACP's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for assistance. It also discusses the process the HACP will use to keep the waiting list current.

Part III□Selection for HCV Program. This section describes the policies that guide the HACP in selecting families for HCV program as such assistance becomes available. It also specifies how in-person interviews will be used to ensure that the HACP has the information needed to make a final eligibility determination.

PART I: THE APPLICATION PROCESS

4-I.A. OVERVIEW

This section describes the HACP policies for making applications available, accepting applications, making preliminary determinations of eligibility, and the placement of applicants on the waiting list. This section also describes the HACP's obligation to ensure the accessibility of the application process to elderly persons, people with disabilities, and people LEP.

4-I.B. APPLYING FOR ASSISTANCE [HCV GB, pp. 4-11 – 4-16, Notice PIH 2009-36]

Any family that wishes to receive HCV assistance must apply for admission to the program. HUD permits the HACP to determine the format and content of HCV applications, as well how such applications will be made available to interested families and how applications will be accepted by the HACP. The HACP must include Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of the HACP's application.

HACP Policy

Because demand for housing far exceeds available funding, the HACP will only provide HCV assistance to eligible families on its wait list, with the exception of families transferring into the program through portability. All persons who wish to apply for the HACP's programs must submit a pre-application via on-line, during the time the HACP is accepting applications. All applicants on an existing wait list will be served or withdraw prior to families being invited to apply to a new wait list.

The HACP will utilize a lottery to place applicants on the wait list. A lottery ensures that all applicants who express a need for assistance are given an equal opportunity to apply for and receive a voucher. Lottery applicants will only be required to provide information needed to make an initial assessment of the family's eligibility and to determine the family's placement on the waiting list. This is known as the "pre-application." This information will not be verified for waiting list placement.

The application process will involve two phases. The first phase is the pre-application, also sometimes referred to as the initial application. Completion of the on-line pre-application allows entry into the random lottery drawing.

Once the applications are randomly selected via lottery, they are placed on the waiting list according to the preferences indicated on the application. Applications not drawn in the lottery will not be placed on the waiting list.

The second phase is the "pre-determination of eligibility" (referred to as the full application). The full application takes place when the family reaches the top of the waiting list. At this time, the HACP will ensure that verification of all eligibility factors is current in order to determine the family's eligibility prior to the issuance of a voucher.

The family will be required to provide all of the information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list. This information will be verified. If it is determined that the family intentionally misrepresented the facts on the pre-application, the family will either be placed back on the wait list (ranked by their current preferences) or will be denied assistance. If the family is unable to verify their declared preferences, the family will be denied those preferences and will be placed back on the waiting list ranked by their verified preferences.

The full application is signed at the eligibility appointment by the applicant unless a disability prevents the applicant from doing so. In the case of a disability that prevents the applicant from signing the full application, HACP representative may sign as a witness. Applicants will then be interviewed by HACP staff to review the information on the full application form. Verification of the disability, as defined by the Americans with Disabilities Act, will be requested at this time. The full application process will include discussion about reasonable accommodation necessity.

Special Admission (Non-Waiting List)

If a family is displaced due to acquisition by the City of Pittsburg, the HACP will determine eligibility for voucher issuance by the following criteria:

- The family must be income eligible and be a citizen or a non-citizen who has eligible immigration status in accordance with 24 CFR Part 5.
- If funding is available.
- No family members may have engaged in drug related activity or violent criminal activity within the 3 years from admission date.
- No family member can be a registered sex offender.

4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS

Elderly and Disabled Populations [24 CFR 8 and HCV GB, pp. 4-11 – 4-13]

The HACP must take steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard HACP application process. This could include people with disabilities, certain elderly individuals, as well as persons with LEP. The HACP must provide reasonable accommodation to the needs of individuals with disabilities. The application-taking facility and the application process must be fully accessible, or the HACP must provide an alternate approach that provides full access to the application process. Chapter 2 provides a full discussion of the policies related to providing reasonable accommodations for people with disabilities.

Limited English Proficiency

PHAs are required to take reasonable steps to ensure equal access to their programs and activities by persons with limited English proficiency [24 CFR 1. Chapter 2 provides a full discussion on the policies related to ensuring access to people with limited English proficiency.

4-I D PLACEMENT ON THE WAITING LIST

The HACP must review each complete application received and make a preliminary assessment of the family's eligibility. The HACP must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as denial of assistance) for the grounds stated in the regulations 24 CFR 982.206(b)(2). Where the family is determined to be ineligible, the HACP must notify the family in writing 24 CFR 982.201(f). Where the family is not determined to be ineligible, the family will be placed on a waiting list of applicants.

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list 24 CFR 982.202(c).

Ineligible for Placement on the Waiting List

HACP Policy

The HACP will conduct a lottery of all families and individuals who have turned in applications during the application period. Only applicants selected in the lottery will be placed on the wait list. Those not selected will receive a written notice informing them that they were not selected for the wait list.

If the HACP can determine from the information provided that a family is ineligible, the family will not be placed on the waiting list. Where a family is determined to be ineligible, the HACP will send written notification of the ineligibility determination within 10 business days of receiving a complete application. The notice will specify the reasons for ineligibility and will inform the family of its right to request an informal review and explain the process for doing so (see Chapter 16).

Eligible for Placement on the Waiting List

HACP Policy

The HACP will send written notification of the preliminary eligibility determination within 10 business days of receiving a complete application.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list for pre-determination of eligibility.

Applicants will be placed on the waiting list according to any preference(s) for which they qualify, and the date and time their complete application is received by the HACP.

PART II: MANAGING THE WAITING LIST

4-II.A. OVERVIEW

The HACP must have policies regarding various aspects of organizing and managing the waiting list of applicant families. This includes opening the list to new applicants, closing the list to new applicants, notifying the public of waiting list openings and closings, updating waiting list information, purging the list of families that are no longer interested in or eligible for assistance, as well as conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how a HACP may structure its waiting list and how families must be treated if they apply for assistance from a HACP that administers more than one assisted housing program.

4-II.B. ORGANIZATION OF THE WAITING LIST [24 CFR 982.204 and 205]

The HACP's HCV waiting list must be organized in such a manner to allow the HACP to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.

The waiting list must contain the following information for each applicant listed:

- Name and social security number of the head of household,
- Family unit size and number of family members,
- Amount of annual income,
- Any accessibility needs,
- Any translation/interpretation needs,
- Wait list opening date,
- Qualification for any local preference,
- Racial or ethnic designation of the head of household,
- Postal mailing address,
- Date and time of application,

HUD requires the HACP to maintain a single waiting list for the HCV program unless it serves more than one county or municipality. Such PHAs are permitted, but not required, to maintain a separate waiting list for each county or municipality served.

HACP Policy

The HACP will maintain a single waiting list for the HCV program.

HUD directs that a family that applies for assistance from the HCV program must be offered the opportunity to be placed on the waiting list for any public housing, project-based voucher or moderate rehabilitation program the HACP operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs.

HUD permits, but does not require, that HACP s maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs.

A family's decision to apply for, receive, or refuse other housing assistance must not affect the family's placement on the HCV waiting list, or any preferences for which the family may qualify.

HACP Policy

The HACP will not merge the HCV waiting list with the waiting list for any other program the HACP operates.

4-II.C. OPENING AND CLOSING THE WAITING LIST [24 CFR 982.206]

Closing the Waiting List

A HACP is permitted to close the waiting list if it has an adequate pool of families to use its available HCV assistance. Alternatively, the HACP may elect to continue to accept applications only from certain categories of families that meet particular preferences or funding criteria.

HACP Policy

Due to the overwhelming interest in housing assistance when the wait list is open, the HACP will accept applications for no more than one week at a time. Where the HACP has particular preferences or funding criteria that require a specific category of family, the HACP may elect to continue to accept applications from these applicants while closing the waiting list to others. The HACP will announce the closing of the waiting list by closing the electronic portal public notice through the City of Pittsburg Website. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

In the future, HACP will close the waiting list at the end of the advertised open period. After 24 months, the wait list will be purged of all remaining applicants and a denial letter sent to them. A new wait list will be created thereafter for the next 24 months. Where HACP as particular preferences or funding criteria that require a specific category of family, HACP may elect to continue to accept applications from these applicants while closing the waiting list to others.

Reopening the Waiting List

If the waiting list has been closed, it cannot be reopened until the HACP publishes a notice in local newspapers of general circulation, minority media, and other suitable media outlets. The notice must comply with HUD fair housing requirements and must specify who may apply, and where and when applications will be received.

HACP Policy:

The HACP will announce the reopening of the waiting list at least **10 business days** prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice.

The HACP will give public notice by publishing the relevant information in suitable media outlets including, but not limited to:

- Public Notice – East County Times

- City of Pittsburg Website
- City's Facebook page

4-II.D. FAMILY OUTREACH (HCV GB, pp. 4-2 to 4-4)

The HACP must conduct outreach as necessary to ensure that the HACP has a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted.

Because HUD requires the HACP to admit a specified percentage of extremely low-income families to the program (see Chapter 4, Part III), the HACP may need to conduct special outreach to ensure that an adequate number of such families apply for assistance (HCV GB, p. 4-20 to 4-21).

PHA outreach efforts must comply with fair housing requirements. This includes:

- Analyzing the housing market area and the populations currently being served to identify underserved populations
- Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class

PHA outreach efforts must be designed to inform qualified families about the availability of assistance under the program. These efforts may include, as needed, any of the following activities:

- Submitting press releases to local newspapers, including minority newspapers
- Developing informational materials and flyers to distribute to other agencies
- Providing application forms to other public and private agencies that serve the low-income population
- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities

HACP Policy

The HACP will monitor the characteristics of the population being served and the characteristics of the population as a whole in the HACP's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES

HACP Policy

While the family is on the waiting list, the family must immediately inform the HACP of changes in contact information, including current residence, mailing address, and phone number. The changes must be submitted through the HACP Applicant Portal or in writing. Mail sent from the HACP to an applicant **will not** be forwarded. Mail sent from the HACP to an applicant is

considered received unless returned by the post office as undeliverable. Mail returned to the HACP will result in the removal of an application from the waiting list unless it is the result of postal service error.

Documentation of a postal service error is the responsibility of the applicant and must include a letter from the postmaster explaining the error which caused the applicant's mail to be returned to the HACP. Documentation must be received within 15 business days from when the application was removed from the waiting list. Applicants providing acceptable documentation will be returned to the waiting list with their original application position

4-II.F. UPDATING THE WAITING LIST [24 CFR 982.204]

HUD requires the HACP to establish policies to use when removing applicant names from the waiting list. Since the wait list will only be active for 24 months, it is unlikely that it will need to be updated. However, if the HACP must update the wait list for any reason, the following guidelines will be followed.

Purging the Waiting List

The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to a HACP request for information or updates, and the HACP determines that the family did not respond because of the family member's disability, the HACP must reinstate the applicant family to their former position on the waiting list [24 CFR 982.204(c)(2)].

HACP Policy

The waiting list may be updated as needed if funding is available to ensure that all applicants and applicant information is current and timely.

To update the waiting list, the HACP will send an update request via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that the HACP has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the waiting list.

The family's response must be in writing and may be delivered in person, by mail, or by fax. Responses should be postmarked or received by the HACP not later than 30 calendar days from the date of the HACP letter.

If the family fails to respond within 30 calendar days, the family will be removed from the waiting list without further notice.

If the notice is returned by the post office with no forwarding address, the applicant will be removed from the waiting list without further notice.

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. The family will have 10 business days to respond from the date the letter was re-sent.

If a family is removed from the waiting list for failure to respond, the HACP may reinstate the family if it is determined that the lack of response was due to HACP error, or to circumstances beyond the family's control.

Removal from the Waiting List

HACP Policy

HACP will remove applicants from the waiting list if they have requested that their name be removed in writing, in person or by email. In such cases no informal hearing is required.

If at any time, the HACP determines an applicant family on the waiting list is not eligible for assistance (see Chapter 3), the family will be removed from the waiting list. A notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal review regarding the HACP's decision (see Chapter 16) [24 CFR 982.201(f)]

The HCV wait list will terminate after 24 months from the date it notified applicants of their initial placement on the wait list. A new HCV wait list will be created thereafter.

Families removed from the waitlist due to failure to respond to updates or an invitation for certification will be considered for reinstatement to the waiting list for up to 12 months from the date they were removed from the waiting list or the expiration of the waiting list, whichever is earlier.

PART III: SELECTION FOR HCV ASSISTANCE

4-III.A. OVERVIEW

As vouchers become available, families on the waiting list must be selected for assistance in accordance with the policies described in this section.

The order in which families are selected from the waiting list depends on the selection method chosen by the HACP and is impacted in part by any selection preferences for which the family qualifies. The availability of targeted funding also may affect the order in which families are selected from the waiting list.

The HACP must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the HACP's selection policies [24 CFR 982.204(b) and 982.207(e).

4-III.B. SELECTION AND HCV FUNDING SOURCES

Special Admissions (24 CFR 982.203)

HUD may award funding for specifically named families living in specified types of units (e.g., a family that is displaced by demolition of public housing; a non-purchasing family residing in a HOPE 1 or 2 projects). In these cases, the HACP may admit such families whether or not they are on the waiting list, and, if they are on the waiting list, without considering the family's position on the waiting list. These families are considered non-waiting list selections. The HACP must maintain records showing that such families were admitted with special program funding.

HACP administers the following Special Purpose funding:

- Veterans Administration Supportive Housing Program (VASH)

Special (non-waitlist) Admissions include the following:

- In-Place households for newly authorized PBV projects
- Direct Referrals from:
  - VASH or affiliated Veterans Support Agency and
  - Coordinated Entry System (CES) for an authorized PBV Project

Targeted Funding (24 CFR 982.204(e))

HUD may award a HACP funding for a specified category of families on the waiting list. The HACP must use this funding only to assist the families within the specified category. In order to assist families within a targeted funding category, the HACP may skip families that do not qualify within the targeted funding category. Within this category of families, the order in which such families are assisted is determined according to the policies provided in Section 4-III.C.

HACP Policy

The HACP currently does not administer any type of targeted funding.

Regular HCV Funding

Regular HCV funding may be used to assist any eligible family on the waiting list. Families are selected from the waiting list according to the policies provided in Section 4-III.C.

4-III.C. SELECTION METHOD

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the HACP will use. [24 CFR 982.202(d).]

Local Preferences [24 CFR 982.207; HCV p. 4-16]

PHAs are permitted to establish local preferences, and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the HACP to establish other local preferences, at its discretion. Any local preferences established must be consistent with the HACP plan and the consolidated plan and must be based on local housing needs and priorities that can be documented by generally accepted data sources.

HACP Policy

The HACP will use the following local preferences:

1. Pittsburg residents.
    - Any household family member who lives, works, or has been hired to work, or attending school in Pittsburg.
2. Veterans or surviving spouses of veterans.
3. The HACP will offer a preference to any family that has been terminated from its HCV program due to insufficient program funding.

The HACP will first assist families that have been terminated from the HCV program due to insufficient funding.

Local preferences in addition to date and time of application are given priority when determining an applicant's order of a placement on the waiting lists. The following chart represents the order of preference given to applicants on the waiting lists:

CODE	RANK - DESCRIPTION	PREFERENCE POINTS
1	TERMINATED CLIENTS – Due to Insufficient Funding	1,500,000
2	VETERAN / RESIDENT	1,000,000
3	NON-RESIDENT / RESIDENT	200,000
4	VETERAN / NON-RESIDENT	30,000
5	NON-VETERAN /NON-RESIDENT	4,000

Income Targeting Requirement [24 CFR 982.201(b)(2)]

HUD requires that extremely low-income (ELI) families make up at least 75 percent of the families admitted to the HCV program during the HACP's fiscal year. ELI families are those with annual incomes at or below the federal poverty level or 30 percent of the area median income, whichever number is higher. To ensure this requirement is met, a HACP 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)].

HACP Policy

The HACP 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.

If the family's verified annual income, at final eligibility determination, does not fall under the Extremely Low-Income Limit and the family was selected for income targeting purposes, ahead of families with a higher preference, the family will be returned to the waiting list based on their actual income level and preference.

Order of Selection

The HACP 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 HACP 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)].

HACP 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 HACP has reached number 1,200. If HACP issues all 1,200 vouchers over the next 24 months, the waiting list will be re-opened. If not, after 24 months from the date of notification to families of their placement on the wait list, the remaining applicants not selected will be denied and a new application process will be implemented. HACP plans to open the HCV wait list every two years.

No other applicant may be placed on the list. All other applicants will have to reapply in the future. Families will be selected from the waiting list based on the targeted funding or selection preference(s) for which they qualify, and in accordance with the HACP's hierarchy of preferences, if applicable. Within each targeted funding or preference category, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by the HACP. Documentation will be maintained by the HACP as to whether families on the list qualify for and are interested in targeted funding. If a higher placed family on the waiting list is not qualified or not interested in targeted funding, there will be a notation maintained so that the HACP does not have to ask higher placed families each time targeted selections are made.

4-III.D. NOTIFICATION OF SELECTION

When a family has been selected from the waiting list, the HACP must notify the family. [24 CFR 982.554(a).]

HACP Policy

The HACP will notify the family by first class mail when it is selected from the waiting list. The notice will inform the family of the following:

- Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview.
- Who is required to attend the application verification interview.
- All documents that must be provided at the interview, including information about what constitutes acceptable documentation.

If a notification letter is returned to the HACP with no forwarding address, the family will be removed from the waiting list. A notice of denial (see Chapter 3) will be sent to the family's address of record, as well as to any known alternate address.

4-III.E. THE APPLICATION INTERVIEW

HUD recommends that the HACP obtain the information and documentation needed to make an eligibility determination through a face-to-face interview with a HACP representative. [HCV GB, pg. 4-16.] Being invited to attend an interview does not constitute admission to the program.

Assistance cannot be provided to the family until all SSN documentation requirements are met. However, if the HACP determines that an applicant family is otherwise eligible to participate in the program, the family may retain its place on the waiting list for a period of time determined by the HACP. [Notice PIH 2012-10.]

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability.

HACP Policy

Families selected from the waiting list are required to participate in an eligibility interview.

The head of household and the spouse/cohead will be strongly encouraged to attend the interview together. However, either the head of household or the spouse/cohead may attend the interview on behalf of the family. Verification of information pertaining to adult members of the household that are not present at the interview will not begin until signed release forms are returned to the HACP.

The head of household or spouse/cohead must provide acceptable documentation of legal identity. (Chapter 7 provides a discussion of proper documentation of legal identity.) If the family representative does not provide the required documentation at the time of the interview, he or she will be required to provide it within 10 business days.

Pending disclosure and documentation of social security numbers, the HACP will allow the family to retain its place on the waiting list for ***90 days from the date of the request***. If all household members have not disclosed their SSNs at the next time the HACP is issuing vouchers, the HACP will issue a voucher to the next eligible applicant family on the waiting list.

The family must provide the information necessary to establish the family's eligibility and determine the appropriate level of assistance, as well as completing required forms, providing required signatures, and submitting required documentation. If any materials are missing, the HACP will provide the family with a written list of items that must be submitted.

Any required documents or information that the family is unable to provide at the interview must be provided within **10 business days** of the interview (Chapter 7 provides details about longer submission deadlines for particular items, including documentation of eligible noncitizen status). If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial (See Chapter 3).

An advocate, interpreter, or other assistant may assist the family with the application and the interview process.

Interviews will be conducted in English. For LEP applicants, the HACP will provide translation services in accordance with the HACP's LEP plan.

If the family is unable to attend a scheduled interview, the family should contact the HACP in advance of the interview to schedule a new appointment. In all circumstances, if a family does not attend a scheduled interview, the HACP will send another notification letter with a new interview appointment time. Applicants who fail to attend two scheduled interviews without HACP approval will be denied assistance based on the family's failure to supply information needed to determine eligibility. A notice of denial will be issued in accordance with policies contained in Chapter 3.

4-III.F. COMPLETING THE APPLICATION PROCESS

The P must verify all information provided by the family (see Chapter 7). Based on verified information, the HACP must make a final determination of eligibility (see Chapter 3) and must confirm that the family qualified for any special admission, targeted funding admission, or selection preference that affected the order in which the family was selected from the waiting list.

HACP Policy

If the HACP determines that the family is ineligible, the HACP will send written notification of the ineligibility determination within **10 business days** of the determination. The notice will specify the reasons for ineligibility and will inform the family of its right to request an informal review (Chapter 16).

If a family fails to qualify for any criteria that affected the order in which it was selected from the waiting list (e.g., targeted funding, extremely low-income), the family will be returned to its original position on the waiting list. The HACP will notify the family in writing that it has been returned to the waiting list and will specify the reasons for it.

If the HACP determines that the family is eligible to receive assistance, the HACP will invite the family to attend a briefing in accordance with the policies in Chapter 5.

Chapter 5

BRIEFINGS AND VOUCHER ISSUANCE

INTRODUCTION

This chapter explains the briefing and voucher issuance process. When a family is determined to be eligible for the HCV program, the HACP must ensure that the family fully understands the way the program operates and the family's obligations under the program. This is accomplished through both an oral briefing and provision of a briefing packet containing the H□D-required documents and other information the family needs to know in order to lease a unit under the program. Once the family is fully informed of the program's requirements, the HACP issues the family a voucher. The voucher includes the unit size for which the family qualifies based on the HACP's subsidy standards, as well as the issue and expiration date of the voucher. The voucher is the document that authorizes the family to begin its search for a unit and limits the amount of time the family has to successfully locate an acceptable unit.

This chapter describes H□D regulations and HACP policies related to these topics in two parts□

Part I□Briefings and Family Obligations. This part details the program's requirements for briefing families orally, and for providing written materials describing the program and its requirements. It includes a particular focus on the family's obligations under the program.

Part II□Subsidy Standards and Voucher Issuance. This part discusses the HACP's standards for determining how many bedrooms a family of a given composition qualifies for, which in turn affects the amount of subsidy the family can receive. It also discusses the policies that dictate how vouchers are issued, and how long families have to locate a unit.

PART I: BRIEFINGS AND FAMIL□ OBLIGATIONS

5-I□A□OVERVIEW

H□D regulations require the HACP to conduct mandatory briefings for applicant families who qualify for a voucher. The briefing provides a broad description of owner and family responsibilities, explains the HACP's procedures, and includes instructions on how to lease a unit. This part describes how oral briefings will be conducted, specifies what written information will be provided to families, and lists the family's obligations under the program.

5-I□B□BRIEFING □24 CFR 982□301□

The HACP must give the family an oral briefing and provide the family with a briefing packet containing written information about the program. Families may be briefed individually or in groups. At the briefing, the HACP must ensure effective communication in accordance with Section 504 requirements (Section 504 of the Rehabilitation Act of 1973) and ensure that the briefing site is accessible to individuals with disabilities. For a more thorough discussion of accessibility requirements, refer to Chapter 2.

HACP Policy

Briefings may be conducted in group meetings.

Generally, the head of household is required to attend the briefing. If the head of household is unable to attend, the HACP may approve another adult family member to attend the briefing.

Families that attend group briefings and still need individual assistance will be referred to an appropriate HACP staff person.

Briefings will be conducted in English. For LEP applicants, the HACP will provide translation services in accordance with the HACP's LEP plan (See Chapter 2).

Notification and Attendance

HACP Policy

Families will be notified of their eligibility for assistance at the time they are invited to attend a briefing. The notice will identify who is required to attend the briefing, as well as the date and time of the scheduled briefing.

If the notice is returned by the post office with no forwarding address, the applicant will be denied, and their name will not be placed back on the waiting list. If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated.

Applicants who fail to attend a scheduled briefing will be scheduled for another briefing automatically. The HACP will notify the family of the date and time of the second scheduled briefing. Applicants who fail to attend two scheduled briefings, without prior HACP approval, will be denied assistance (see Chapter 3).

Oral Briefing [24 CFR 982.301(a)]

Each briefing must provide information on the following subjects:

- How the HCV program works,
- Family and owner responsibilities,
- Where the family can lease a unit, including renting a unit inside or outside the HACP's jurisdiction,
- An explanation of how portability works. The HACP may not discourage the family from choosing to live anywhere in the HACP jurisdiction or outside the HACP jurisdiction under portability, unless otherwise expressly authorized by statute, regulation, PIH Notice, or court order,
- The HACP must inform the family of how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process which may affect the family's assistance,

- The advantages of areas that do not have a high concentration of low-income families; and
- For families receiving welfare-to-work vouchers, a description of any local obligations of a welfare-to-work family and an explanation that failure to meet the obligations is grounds for denial of admission or termination of assistance.

Briefing Pac□et □24 CFR 982□301(b)□

Documents and information provided in the briefing packet must include the following□

- The term of the voucher, voucher suspensions, and the HACP's policies on any extensions of the term. If the HACP allows extensions, the packet must explain how the family can request an extension.
- A description of the method used to calculate the housing assistance payment for a family, including how the HACP determines the payment standard for a family, how the HACP determines total tenant payment for a family, and information on the payment standard and utility allowance schedule.
- An explanation of how the HACP determines the maximum allowable rent for an assisted unit.
- Where the family may lease a unit and an explanation of how portability works, including information on how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process that may affect the family's assistance.
- The H□D-required tenancy addendum, which must be included in the lease.
- The form the family must use to request approval of tenancy**,** and a description of the procedure for requesting approval for a tenancy.
- A statement of the HACP policy on providing information about families to prospective owners.
- The HACP subsidy standards including when and how exceptions are made.
- Materials (e.g., brochures) on how to select a unit and any additional information on selecting a unit that H□D 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 HACP who may be willing to lease a unit to the family or other resources (e.g., newspapers, organizations, online search tools) known to the HACP that may assist the family in locating a unit. HACPs 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 the HACP.

- The family obligations under the program, including any obligations of a welfare-to-work family.
- The grounds on which the HACP may terminate assistance for a participant family because of family action or failure to act.
- HACP informal hearing procedures including when the HACP 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.

If the HACP 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 HACPs with names, addresses, and telephone numbers

Additional Items to Be Included in the Briefing Packet

In addition to items required by the regulations, HACPs 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).

HACP Policy

The HACP 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*
- Information on how to fill out and file a housing discrimination complaint form
- The form HUD-5380 domestic violence certification form and the form HUD-5382 notice of occupancy rights, which contains information on VAWA protections for victims of domestic violence, dating violence, sexual assault, and stalking
- "Is Fraud Worth It?" (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse
- "What You Should Know about EIV," a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19

5-I.C. FAMILY OBLIGATIONS

Obligations of the family are described in the HCV regulations and on the voucher itself. These obligations include responsibilities the family is required to fulfill, as well as prohibited actions. The HACP must inform families of these obligations during the oral briefing, and the same information must be included in the briefing packet. When the family's unit is approved and the HAP contract is executed, the family must meet those obligations in order to continue participating in the program. Violation of any family obligation may result in termination of assistance, as described in Chapter 12.

Time Frames for Reporting Changes Required By Family Obligations

HACP Policy

Unless otherwise noted below, when family obligations require the family to respond to a request or notify the HACP of a change, notifying the HACP of the request or change within 10 business days is considered prompt notice.

When a family is required to provide notice to the HACP, the notice must be in writing.

Family Obligations (24 CFR 982.551)

The family obligations of the voucher are listed as follows:

- The family must supply any information that the HACP or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by the HACP or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any HQS breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

  HACP Policy

  The family must not damage the unit or premises (other than ordinary wear and tear) or permit any guest to damage the unit or premises. Damages beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.
- The family must allow the HACP to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.

- The family must not commit any serious or repeated violation of the lease.

  HACP Policy

  The HACP will determine if a family has committed serious or repeated violations of the lease based on available evidence, including but not limited to, a court-ordered eviction or an owner's notice to evict, police reports, and affidavits from the owner, neighbors, or other credible parties with direct knowledge.

  Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, living or housekeeping habits that cause damage to the unit or premises, and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault, or stalking will not be construed as serious or repeated lease violations by the victim [24 CFR 5.2005(c)(1)].

- The family must notify the HACP and the owner before moving out of the unit or terminating the lease.

  HACP Policy

  The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to the HACP at the same time the owner is notified.

- The family must promptly give the HACP a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by the HACP. The family must promptly notify the HACP in writing of the birth, adoption, or court-awarded custody of a child. The family must request HACP approval to add any other family member as an occupant of the unit.

  HACP Policy

  The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The HACP will determine eligibility of the new member in accordance with the policies in Chapter 3.

- The family must promptly notify the HACP in writing if any family member no longer lives in the unit.
- If the HACP has given approval, a foster child or a live-in aide may reside in the unit. The HACP has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when HACP consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see Chapter 3 (sections I.[and I.M), and Chapter 11 (section II.B).
- The family must not sublease the unit, assign the lease, or transfer the unit.

HACP Policy

Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

- The family must supply any information requested by the HACP to verify that the family living in the unit or information related to family absent from the unit.
- The family must promptly notify the HACP when the family is absent from the unit.

HACP Policy

Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Written notice must be provided to the HACP at the start of the extended absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form H□D-52646, Voucher].
- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program. (See Chapter 14, Program Integrity for additional information).
- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the
- premises. See Chapter 12 for H□D and HACP policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for a discussion of H□D and HACP policies related to alcohol abuse.
- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the HACP has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form H□D-52646, Voucher]

PART II: SUBSID□ STANDARDS AND VOUCHER ISSUANCE

5-II□A□OVERVIEW

The HACP must establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions. This part presents the policies that will be used to determine the family unit size (also known as the voucher size) a particular HACP family should receive, and the policies that govern making exceptions to those standards. The HACP must also establish policies related to the issuance of the voucher, to the voucher term, and to any extensions of the voucher term.

5-II□B□DETERMINING FAMIL□ UNIT (VOUCHER) SI□E □24 CFR 982□402□

For each family, the HACP determines the appropriate number of bedrooms under the HACP subsidy standards and enters the family unit size on the voucher that is issued to the family. The family unit size does not dictate the size of unit the family must actually lease, nor does it determine who within a household will share a bedroom/sleeping room.

The following requirements apply when the HACP determines family unit size□

- The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.
- The subsidy standards must be consistent with space requirements under the housing quality standards.
- The subsidy standards must be applied consistently for all families of like size and composition.
- A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.
- A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.
- Any live-in aide (approved by the HACP to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size;
- □nless a live-in-aide resides with a family, the family unit size for any family consisting of a single person must be either a zero- or one-bedroom unit, as determined under the HACP subsidy standards.

HACP Policy:

The HACP will assign one bedroom to the Head of Household and, if present, their spouse or companion. One additional bedroom will be assigned for every two other persons in the household. The living room is considered an additional sleeping room but is not used to determine the voucher size for the family. The Living Room is considered an additional sleeping room when determining whether an additional adult can be added to the household. Foster children in the household will be included in determining unit size. Single person families will be

allocated one bedroom (as opposed to a studio). See section 11.II.B below. Each two persons within the household, except in the following circumstances□

Live-in aides will be allocated a separate bedroom.

Single person families will be allocated one bedroom.

The HACP will reference the following chart in determining the appropriate voucher size for a family□

Voucher Size	Persons in Household (Minimum – Maximum)
1 Bedroom	1-4
2 Bedrooms	2-6
3 Bedrooms	3-8
4 Bedrooms	4-10
5 Bedrooms	6-12

5-II□C□E□CEPTIONS TO SUBSID□ STANDARDS

In determining family unit size for a particular family, the HACP may grant an exception to its established subsidy standards if the HACP determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances □24 CFR 982.402(b)(8)□. Reasons may include, but are not limited to□

- A need for an additional bedroom for medical equipment
- A need for a separate bedroom for reasons related to a family member's disability, medical or health condition

For a single person who is not elderly, disabled, or a remaining family member, an exception cannot override the regulatory limit of a zero or one bedroom □24 CFR 982.402(b)(8)□.

HACP Policy

The HACP will consider granting an exception for any of the reasons specified in the regulation□the age, sex, health, handicap, or relationship of family members or other personal circumstances.

The family must request any exception to the subsidy standards in writing. The request must explain the need or justification for a larger family unit size and must include appropriate documentation. Requests based on health-related reasons must be verified by a knowledgeable professional source (e.g., doctor or

health professional), unless the disability and the disability–related request for accommodation is readily apparent or otherwise known. The family's continued

need for an additional bedroom due to special medical equipment must be re-verified at annual reexamination.

The HACP will notify the family of its determination within 10 business days of receiving the family's request. If a participant family's request is denied, the notice will inform the family of their right to request an informal hearing.

5-II.D. VOUCHER ISSUANCE [24 CFR 982.302]

When a family is selected from the waiting list (or as a special admission as described in Chapter 4), or when a participant family wants to move to another unit, the HACP issues a Housing Choice Voucher, form HUD-52646. This chapter deals only with voucher issuance for applicants. For voucher issuance associated with moves of program participants, please refer to Chapter 10.

The voucher is the family's authorization to search for housing. It specifies the unit size for which the family qualifies and includes both the date of voucher issuance and date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. The voucher is evidence that the HACP has determined the family to be eligible for the program, and that the HACP expects to have money available to subsidize the family if the family finds an approvable unit. However, the HACP does not have any liability to any party by the issuance of the voucher, and the voucher does not give the family any right to participate in the HACP's HCV program [Voucher, form HUD-52646]

A voucher can be issued to an applicant family only after the HACP has determined that the family is eligible for the program based on verification of information received within the 60 days prior to issuance [24 CFR 982.201(e)] and after the family has attended an oral briefing [HCV 8-1].

HACP Policy

Vouchers will be issued to eligible applicants immediately following the mandatory briefing.

The HACP should have sufficient funds to house an applicant before issuing a voucher. If funds are insufficient to house the family at the top of the waiting list, the HACP must wait until it has adequate funds before it calls another family from the list [HCV GB p. 8-10].

HACP Policy

Prior to issuing any vouchers, the HACP will determine whether it has sufficient funding in accordance with the policies in Part VIII of Chapter 16.

If the HACP determines that there is insufficient funding after a voucher has been issued, the HACP may rescind the voucher and place the affected family back on the waiting list.

5-II.E. VOUCHER TERM AND EXTENSIONS

Voucher Term [24 CFR 982.303]

The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher [24 CFR 982.303(a)].

HACP Policy

The initial voucher term will be **120** calendar days. For families exercising their right of Portability, the Voucher term will be the lesser of the remaining full term of the search period or 120 calendar days. This date may vary based on when the last/current tenancy was terminated

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless the HACP grants an extension.

Extensions of Voucher Term [24 CFR 982.303(b)]

The HACP has the authority to grant extensions of search time, to specify the length of an extension, and to determine the circumstances under which extensions will be granted. There is no limit on the number of extensions that the HACP can approve. Discretionary policies related to extension and expiration of search time must be described in the HACP's administrative plan [24 CFR 982.54].

PHAs must approve additional search time if needed as a reasonable accommodation to make the program accessible to and usable by a person with disabilities. The extension period must be reasonable for the purpose.

The family must be notified in writing of the HACP's decision to approve or deny an extension. The HACP's decision to deny a request for an extension of the voucher term is not subject to informal review [24 CFR 982.554(c)(4)].

HACP Policy

The HACP may approve one 30-day extension upon written request from the family.

The HACP will approve additional extensions only in the following circumstances:

- It is necessary as a reasonable accommodation for a person with disabilities.
- It is necessary due to reasons beyond the family's control, as determined by the HACP. Following is a list of extenuating circumstances that the HACP may consider in making its decision.

The presence of these circumstances does not guarantee that an extension will be granted:

Serious illness or death in the family

Other family emergency

Obstacles due to employment

Whether the family has already submitted requests for tenancy approval that were not approved by the HACP

Whether family size or other special circumstances make it difficult to find a suitable unit

Any request for an additional extension must include the reason(s) an additional extension is necessary. The HACP may require the family to provide documentation to support the request or obtain verification from a qualified third party.

If HACP determines that the rental market in its jurisdiction is prohibiting voucher holders from finding units, HACP may decide to allow extensions beyond the 120 day period. The decision to allow additional extensions beyond 120 days must be approved by the Housing Manager. The family must demonstrate that its due diligence in trying to locate a unit was met by providing HACP a listing of all units looked at and all contacts with landlords made. HACP must also be able to document that the market has higher rents than voucher holders can afford or there are a shortage of rental units available.

All requests for extensions to the voucher term must be made in writing and submitted to the HACP prior to the expiration date of the voucher (or extended term of the voucher).

The HACP will decide whether to approve or deny an extension request within **10 business days** of the date the request is received and will immediately provide the family written notice of its decision.

Suspensions of Voucher Term (24 CFR 982.303(c))

The HACP must provide for suspension of the initial or any extended term of the voucher from the date the family submits a request for HACP approval of the tenancy until the date the HACP notifies the family in writing whether the request has been approved or denied.

Expiration of Voucher Term

Once a family's housing choice voucher term (including any extensions) expires, the family is no longer eligible to search for housing under the program. If the family still wishes to receive assistance, the HACP may require that the family reapply, or may place the family on the waiting list with a new application date but without requiring reapplication. Such a family does not become ineligible for the program on the grounds that it was unable to locate a unit before the voucher expired (HCV GB p. 8-13).

HACP Policy

Expiration of Applicant Vouchers:

If an applicant family's voucher term or extension expires before the family has submitted a Request for Tenancy Approval (RTA), HACP will require the family to reapply for assistance the next time the waiting list is open. If an RTA that was submitted prior to the expiration date of the voucher is subsequently disapproved by HACP (after the voucher term has expired) the family's voucher will be "tolled" and the number of processing days shall be added to the voucher. The tenant shall be given another RTA to search for another unit for only the days remaining on the voucher after it is tolled. This is not an extension but merely holding the tenant harmless from any processing time. Within 10 business days after the expiration of the voucher term or any extension, HACP will notify the family in writing that the voucher term has expired and that the family must reapply in order to be placed on the waiting list.

Expiration of Participant Vouchers:

If a participating family's voucher term or extension expires before the family has submitted a Request for Tenancy Approval (RTA) the family may remain in its current unit with continued voucher assistance if the owner agrees and the PHA approves. If the family has moved out of the unit and the voucher term or extension expires before the family has submitted an RTA then the family will lose its assistance and will be required to reapply for assistance the next time the waiting list is open.

If an RTA that was submitted prior to the expiration date of the voucher is subsequently disapproved by HACP (after the voucher term has expired),the family's voucher will be "tolled" and the number of processing days shall be added to the voucher. The tenant shall be given another RTA to search for another unit for only the days remaining on the voucher after it is tolled. This is not an extension but merely holding the tenant harmless from any processing time. Within 10 business days after the expiration of the voucher term or any extension, HACP will notify the family in writing that the voucher term has expired and if the family is not currently living in an HCV assisted unit, that the family must reapply when the wait list is open in order to be placed on the waiting list

Chapter 6

INCOME AND SUBSID DETERMINATIONS

24 CFR Part 5, Subparts E and F; 24 CFR 982

INTRODUCTION

A family's income determines eligibility for assistance and is also used to calculate the family's payment and the HACP's subsidy. The HACP will use the policies and methods described in this chapter to ensure that only eligible families receive assistance and that no family pays more or less than its obligation under the regulations. This chapter describes H D regulations and HACP policies related to these topics in three parts as follows

- Part I Annual Income. H D regulations specify the sources of income to include and exclude to arrive at a family's annual income. These requirements and HACP policies for calculating annual income are found in Part I.
- Part II Adjusted Income. Once annual income has been established H D regulations require the HACP to subtract from annual income any of five mandatory deductions for which a family qualifies. These requirements and HACP policies for calculating adjusted income are found in Part II.
- Part III Calculating Family Share and HACP Subsidy. This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining HACP subsidy and required family payment.
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PART I: ANNUAL INCOME

6-I A OVERVIEW

The general regulatory definition of *annual income* shown below is from 24 CFR 5.609.

> 5.609 Annual income.
> (a) Annual income means all amounts, monetary or not, which
> (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
> (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
> (3) Which are not specifically excluded in paragraph 5.609(c).
> (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

In addition to this general definition, H D regulations establish policies for treating specific types of income and assets. The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows

- Annual Income Inclusions (Exhibit 6-1)

- Annual Income Exclusions (Exhibit 6-2)
- Treatment of Family Assets (Exhibit 6-3)
- Earned Income Disallowance for Persons with Disabilities (Exhibit 6-4)
- The Effect of Welfare Benefit Reduction (Exhibit 6-5)

Sections 6-I.B and 6-I.C discuss general requirements and methods for calculating annual income. The rest of this section describes how each source of income is treated for the purposes of determining annual income. HUD regulations present income inclusions and exclusions separately (24 CFR 5.609(b) and 24 CFR 5.609(c)). In this plan, however, the discussions of income inclusions and exclusions are integrated by topic (e.g., all policies affecting earned income are discussed together in section 6-I.D). Verification requirements for annual income are discussed in Chapter 7.

6-I.B. HOUSEHOLD COMPOSITION AND INCOME

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

Summary of Income Included and Excluded by Person	
Live-in aides	Income from all sources is excluded (24 CFR 5.609(c)(5)).
Foster child or foster adult	Income from all sources is excluded (24 CFR 5.609(c)(2)).
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included.
Children under 18 years of age	Employment income is excluded (24 CFR 5.609(c)(1)). All other sources of income, except those specifically excluded by the regulations, are included.
Full-time students 18 years of age or older (not head, spouse, or cohead)	Employment income above $480/year is excluded (24 CFR 5.609(c)(11)). All other sources of income, except those specifically excluded by the regulations, are included.

Temporarily Absent Family Members

The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit (HCV GB, p. 5-18).

HACP Policy

Generally, an individual who is or is expected to be absent from the assisted unit for 90 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally, an individual who is or is expected

to be absent from the assisted unit for more than 90 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students

HACP Policy

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the HACP indicating that the student has established their own separate household or the family declares that the student has established a separate household.

Absences Due to Placement in Foster Care

Children temporarily absent from the home as a result of placement in foster care are considered members of the family [24 CFR 5.403].

HACP Policy

If a child has been placed in foster care, the HACP will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

Absent Head, Spouse, or Cohead

HACP Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member. The employment assignment must be of a temporary nature such as military service or a construction assignment out of the area. Per HUD regulations, if the head of household is the only member of the family, then the head may not be absent more than 180 days without the HAP contract terminating.

Family Members Permanently Confined for Medical Reasons

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22].

HACP Policy

The HACP will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

When an individual who has been counted as a family member is determined permanently absent, the family is eligible for the medical expense deduction only if the remaining head, spouse, or cohead qualifies as an elderly person or a person with disabilities.

Joint Custody of Dependents

HACP Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 51 percent or more of the time (183 cumulative days during the calendar year).

When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the HACP will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

Caretakers for a Child

HACP Policy

The approval of a caretaker is at the owner and HACP's discretion and subject to the owner and HACP's screening criteria. If neither a parent nor a designated guardian remains in a household receiving HCV assistance, the HACP will take the following actions:

(1) If a responsible agency has determined that another adult is to be brought into the assisted unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.
(2) If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the HACP will extend the caretaker's status as an eligible visitor.
(3) At any time that custody or guardianship legally has been awarded to a caretaker, the housing choice voucher will be transferred to the caretaker.
(4) During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.
(5) All caretakers will be subject to the Authority's non-income background checks. HACP will not approve a particular person as a caretaker, and may withdraw such approval if:

• The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program,

• The person commits drug-related criminal activity or violent criminal activity; or
• The person currently owes rent or other amounts to HACP or to another Housing Authority in connection with Section 8 or public housing assistance under the 1937 Act.
(6) In the event of a family breakup, HACCC may use its discretion to determine which family members will continue to receive assistance according to Chapter 3.I.C. [24 CFR 982.315]

6-I.C. ANTICIPATING ANNUAL INCOME

The PHA is required to count all income "anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date" [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

Basis of Annual Income Projection

The PHA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes the PHA to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected [HCV GB, p. 5-17]
- It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)]
- The PHA believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

PHAs are required to use HUD's Enterprise Income Verification (EIV) system in its entirety as a third-party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].
HUD allows PHAs to use tenant-provided documents (pay stubs) to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where the PHA does not determine it is necessary to obtain additional third-party data.

HACP Policy

When EIV is obtained and the family does not dispute the EIV employer data, the HACP will use current tenant-provided documents to project annual income. When the tenant-provided documents are pay stubs, the HACP will make every effort to obtain current and consecutive pay stubs dated within the last 60 days.

If additional pay stubs are submitted, HACP may utilize up to four consecutive paystubs provided to calculate anticipated income for the next annual recertification. Where a participant or applicant has recently commenced

employment, HACP will utilize however many pay stubs have been received to date and attempt to supplement them with written verification from the employer. Where an employer fails to respond to a request for verification of wages, HACP may utilize The Work Number to verify wages. The Work Number shall only be utilized when there is a lack of pay stubs and/or employment verification available to HACP.

The HACP will obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases□

If EIV or other □IV data is not available,
If the family disputes the accuracy of the EIV employer data, and/or
If the HACP determines additional information is needed.

In such cases, the HACP will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the HACP annualized projected income.

When the HACP cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the HACP will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.
Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the HACP to show why the historic pattern does not represent the family's anticipated income.

Known Changes in Income
If the HACP verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

Example: An employer reports that a full-time employee who has been receiving $8/hour will begin to receive $8.25/hour in the eighth week after the effective date of the reexamination. In such a case the HACP would calculate annual income as follows□($8/hour □40 hours □7 weeks) □($8.25 □40 hours □45 weeks).

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the HACP will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if the HACP's policy on reexaminations does not require interim reexaminations for other types of changes.

When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date.

Projecting Income
In HUD's EIV webcast of January 2008, HUD made clear that PHAs are not to use EIV quarterly wages to project annual income.

6-I D EARNED INCOME

Types of Earned Income Included in Annual Income

Wages and Related Compensation
The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income 24 CFR 5.609(b)(1).

HACP Policy
For persons who regularly receive bonuses or commissions, the HACP will verify the total and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, the HACP will use the prior year amounts. In either case the family may provide, and the HACP will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the HACP will count only the amount estimated by the employer. The file will be documented appropriately.

Some Types of Military Pay
All regular pay, special pay and allowances of a member of the Armed Forces are counted 24 CFR 5.609(b)(8) except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire 24 CFR 5.609(c)(7).

Types of Earned Income Not Counted in Annual Income

Temporary, Nonrecurring, or Sporadic Income 24 CFR 5 609(c)(9)

This type of income (including gifts) is not included in annual income. Sporadic income includes temporary payments from the .S. Census Bureau for employment lasting no longer than ***180 days*** Notice PIH 2009-19.

HACP Policy
Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.

Children's Earnings
Employment income earned by children (including foster children) under the age of 18 years is not included in annual income 24 CFR 5.609(c)(1). (See Eligibility chapter for a definition of foster children.)

Certain Earned Income of Full-Time Students
Earnings in excess of $480 for each full-time student 18 years old or older (except for the head, spouse, or cohead) are not counted (24 CFR 5.609(c)(11)). To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program (HCV GB, p. 5-29).

Income of a Live-in Aide
Income earned by a live-in aide, as defined in (24 CFR 5.403), is not included in annual income (24 CFR 5.609(c)(5)). (See Eligibility chapter for a full discussion of live-in aides.)

Income Earned under Certain Federal Programs
Income from some federal programs is specifically excluded from consideration as income (24 CFR 5.609(c)(17)), including:

- Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 .S.C. 5044(g), 5058)
- Awards under the federal work-study program (20 .S.C. 1087 uu)
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 .S.C. 3056(f))
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 .S.C. 12637(d))
- Allowances, earnings, and payments to participants in programs funded under the Workforce Investment Act of 1998 (29 .S.C. 2931)

Resident Service Stipend
Amounts received under a resident service stipend are not included in annual income. A resident service stipend is a modest amount (not to exceed $200 per individual per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time (24 CFR 5.600(c)(8)(iv)).

State and Local Employment Training Programs
Incremental earnings and benefits to any family member resulting from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the training program (24 CFR 5.609(c)(8)(v)).

HACP *Policy*

The HACP defines *training program* as "a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period to time. It is designed to lead to a higher level of proficiency, and it enhances the individual's ability to obtain employment. It may have performance standards to measure proficiency. Training may include but is not limited to (1) classroom training in a specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education" [expired Notice PIH 98-2, p. 3].

The HACP defines *incremental earnings and benefits* as the difference between (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program, and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3–4].

In calculating the incremental difference, the HACP will use as the pre-enrollment income the total annualized amount of the family member's welfare assistance and earnings reported on the family's most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with the HACP's interim reporting requirements.

HUD-Funded Training Programs

Amounts received under training programs funded in whole or in part by HUD [24 CFR 5.609(c)(8)(i)] are excluded from annual income. Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD.

HACP Policy

To qualify as a training program, the program must meet the definition of *training program* provided above for state and local employment training programs.

Earned Income Tax Credit

Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)), are excluded from annual income [24 CFR 5.609(c)(17)]. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee's payroll check.

Earned Income Disallowance

The earned income disallowance for persons with disabilities is discussed in section 6-I.E below.

6-I.E. EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES (24 CFR 5.617) Streamlining Final Rule (SFR) Federal Register 3/8/16

The earned income disallowance (EID) encourages people with disabilities to enter the work force by not including the full value of increases in earned income for a period of time. The full text of 24 CFR 5.617 is included as Exhibit 6-4 at the end of this chapter. Eligibility criteria and limitations on the disallowance are summarized below.

Eligibility

This disallowance applies only to individuals in families already participating in the HCV program (not at initial examination). To qualify, the family must experience an increase in annual income that is the result of one of the following events:

- Employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment. *Previously unemployed* includes a person who annually has earned not more than the minimum wage applicable to the community multiplied by 500 hours. The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage.
- Increased earnings by a family member who is a person with disabilities and whose earnings increase during participation in an economic self-sufficiency or job-training program. A self-sufficiency program includes a program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work to such families (24 CFR 5.603(b)).
- New employment or increased earnings by a family member who is a person with disabilities and who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months. If the benefits are received in the form of monthly maintenance, there is no minimum amount. If the benefits or services are received in a form other than monthly maintenance, such as one-time payments, wage subsidies, or transportation assistance, the total amount received over the six-month period must be at least $500.

Calculation of the Disallowance

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her "baseline income." The family member's baseline income is his or her income immediately prior to qualifying for the EID. The family member's baseline income remains constant throughout the period that he or she is participating in the EID. While qualification for the disallowance is the same for all families, calculation of the disallowance will differ depending on when the family member qualified for the EID. Participants qualifying prior to May 9, 2016, will have the disallowance calculated under the "Original Calculation Method" described below which requires a maximum lifetime disallowance period of up to 48 consecutive months. Participants qualifying on or after May 9, 2016, will be subject to the "Revised Calculation Method" Which shortens the lifetime disallowance period to 24 consecutive months.

Under both the original and new methods, the EID eligibility criteria, the benefit amount, the single lifetime eligibility requirement and the ability of the applicable family member to stop and restart employment during the eligibility period are the same.

Original Calculation Method
Initial 12-Month Exclusion
During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.

HACP Policy
The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

Second 12-Month Exclusion and Phase-In
During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.

Lifetime Limitation
The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public housing and Section 8 assistance, or if there are breaks in assistance.

HACP Policy
During the 48-month eligibility period, the HACP will schedule and conduct an interim reexamination each time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below his/her prequalifying income, when one of the exclusion periods ends, and at the end of the lifetime maximum eligibility period).

Revised Calculation Method
Initial 12-Month Exclusion
During the initial exclusion period of 12 consecutive months, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded.

HACP Policy
The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

Second 12-Month Exclusion
During the second exclusion period of 12 consecutive months, the PHA must exclude at least 50 percent of any increase in income attributable to employment or increased earnings.

HACP Policy
During the second 12-month exclusion period, the HACP will exclude 50 percent of any increase in income attributable to new employment or increased earnings.

Lifetime Limitation
The EID has a two-year (24-month) lifetime maximum. The two-year eligibility period begins at the same time that the initial exclusion period begins and ends 24 months later. During the 24-month period, an individual remains eligible for EID even if they begin to receive assistance from a different housing agency, move between public housing and Section 8 assistance, or have breaks in assistance.

6-I F BUSINESS INCOME 24 CFR 5 609(b)(2)
Annual income includes "the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family" [24 CFR 5.609(b)(2)].

Net income is "gross income less business expense" [HCV GB, p. 5-19.

HACP Policy
To determine business expenses that may be deducted from gross income, the HACP will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses see IRS Publication 535, unless a topic is addressed by H D regulations or guidance as described below.

Business Expansion
H D regulations do not permit the PHA to deduct from gross income expenses for business expansion.

HACP Policy
Business expansion is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

Capital Indebtedness
H□D regulations do not permit the PHA to deduct from gross income the amortization of capital indebtedness.

HACP Policy
Capital indebtedness is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the HACP will allow as a business expense interest, but not principal, paid on capital indebtedness.

Negative Business Income
If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

Withdrawal of Cash or Assets from a Business
H□D regulations require the HACP to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

HACP Policy
Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of an assisted family provided an up-front loan of $2,000 to help a business get started, the HACP will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

Co-owned Businesses
HACP Policy
If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

6-I□G□ASSETS □24 CFR 5□609(b)(3)□24 CFR 5□603(b)□
Overview
There is no asset limitation for participation in the HCV program. However, H□D requires that the PHA include in annual income the anticipated "interest, dividends, and other net income of any kind from real or personal property" [24 CFR 5.609(b)(3)]. This section discusses how the income from various types of assets is determined. For most types of assets, the PHA must determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses□

- How the value of the asset will be determined

- How income from the asset will be calculated

Exhibit 6-1 provides the regulatory requirements for calculating income from assets [24 CFR 5.609(b)(3)], and Exhibit 6-3 provides the regulatory definition of *net family assets*. This section begins with a discussion of general policies related to assets and then provides H[D rules and PHA policies related to each type of asset.
Optional policies for family self-certification of assets are found in Chapter 7.

General Policies

Income from Assets

The HACP generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. As is true for all sources of income, H[D authorizes the HACP to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) the HACP believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives a rental income but the property is currently vacant, the HACP can take into consideration past rental income along with the prospects of obtaining a new tenant.

> ***HACP Policy***
> Anytime current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to the HACP to show why the asset income determination does not represent the family's anticipated asset income.

Valuing Assets

The calculation of asset income sometimes requires the PHA to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth in the market (e.g., the amount a buyer would pay for real estate or the total value of an investment account).
- The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

> ***HACP Policy***
> Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions [HCV GB, p. 5-28].

Lump-Sum Receipts

Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an

asset (e.g., deposited in a savings or checking account) RHIIP FAs. (For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections 6-I.H and 6-I.I.)

Imputing Income from Assets 24 CFR 5609(b)(3), Notice PIH 2012-29
When net family assets are $5,000 or less, the PHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of $5,000, the PHA will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by the PHA.

- NoteThe HD field office no longer provides an interest rate for imputed asset income. The "safe harbor" is now for the PHA to establish a passbook rate within 0.75 percent of a national average.
- The PHA must review its passbook rate annually to ensure that it remains within 0.75 percent of the national average.

HACP Policy
The HACP will initially set the imputed asset passbook rate at the national rate established by the Federal Deposit Insurance Corporation (FDIC).

The HACP will review the passbook rate annually, in December of each year. The rate will not be adjusted unless the current HACP rate is no longer within 0.75 percent of the national rate. If it is no longer within 0.75 percent of the national rate, the passbook rate will be set at the current national rate.

Changes to the passbook rate will take effect on February 1st following the December review.

Determining Actual Anticipated Income from Assets
It may or may not be necessary for the PHA to use the value of an asset to compute the actual anticipated income from the asset. When the value is required to compute the anticipated income from an asset, the market value of the asset is used. For example, if the asset is a property for which a family receives rental income, the anticipated income is determined by annualizing the actual monthly rental amount received for the property; it is not based on the property's market value. However, if the asset is a savings account, the anticipated income is determined by multiplying the market value of the account by the interest rate on the account.

Withdrawal of Cash or Liquidation of Investments
Any withdrawal of cash or assets from an investment will be included in income except to the extent that the withdrawal reimburses amounts invested by the family. For example, when a family member retires, the amount received by the family from a retirement investment plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement

investment plan.

Jointly Owned Assets
The regulation at 24 CFR 5.609(a)(4) specifies that annual income includes "amounts derived (during the 12-month period) from assets to which any member of the family has access."

HACP Policy
If an asset is owned by more than one person and any family member has unrestricted access to the asset, the HACP will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, the HACP will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, the HACP will prorate the asset evenly among all owners.

Assets Disposed of for Less than Fair Mar□et Value □24 CFR 5□603(b)□
H□D regulations require the PHA to count as a current asset any business or family asset that was disposed of for less than fair market value during the two years prior to the effective date of the examination/reexamination, except as noted below.

Minimum Threshold
The *HVC Guidebook* permits the PHA to set a threshold below which assets disposed of for less than fair market value will not be counted □HCV GB, p. 5-27□.

HACP Policy
The HACP will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than $1,000.

When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between annual recertifications, the family may request an interim recertification to eliminate consideration of the asset(s).

Assets placed by the family in nonrevocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

Separation or Divorce
The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement

and the applicant or tenant receives important consideration not measurable in dollar terms.

HACP Policy

All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

Foreclosure or Bankruptcy

Assets are not considered disposed of for less than fair market value when the disposition is the result of a foreclosure or bankruptcy sale.

Family Declaration

HACP Policy

Families must sign a declaration form at initial certification and each annual recertification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value. The HACP may verify the value of the assets disposed if other information available to the HACP does not appear to agree with the information reported by the family.

Types of Assets

Checking and Savings Accounts

For regular checking accounts and savings accounts, *cash value* has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero.

HACP Policy

In determining the value of a checking account, the HACP will use the average monthly balance for the last six months.

In determining the value of a savings account, the HACP will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account, the HACP will multiply the value of the account by the current rate of interest paid on the account.

Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds

Interest or dividends earned by investment accounts are counted as actual income from

assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

HACP Policy

In determining the market value of an investment account, the HACP will use the value of the account on the most recent investment report.

How anticipated income from an investment account will be calculated depends on whether the rate of return is known. For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), the HACP will calculate asset income based on the earnings for the most recent reporting period.

Equity in Real Property or Other Capital Investments

Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset [HCV GB, p. 5-25].

HACP Policy

In determining the equity, the HACP will determine market value by examining recent sales of at least three properties in the surrounding or similar neighborhood that possess comparable factors that affect market value.

The HACP will first use the payoff amount for the loan (mortgage) as the unpaid balance to calculate equity. If the payoff amount is not available, the HACP will use the basic loan balance information to deduct from the market value in the equity calculation.

Equity in real property and other capital investments is considered in the calculation of asset income **except** for the following types of assets:

- Equity accounts in HUD homeownership programs [24 CFR5.603(b)]
- The value of a home currently being purchased with assistance under the HCV program Homeownership Option for the first 10 years after the purchase date of the home [24 CFR 5.603(b), Notice PIH 2012-3]
- Equity in owner-occupied cooperatives and manufactured homes in which the family lives [HCV GB, p. 5-25]
- Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25]. This real estate is considered a business asset, and income related to this asset will be calculated as described in section 6-I.F.
- Interests in Indian Trust lands [24 CFR 5.603(b)]

- Real property and capital assets that are part of an active business or farming operation (HCV GB, p. 5-25)

The PHA must also deduct from the equity the reasonable costs for converting the asset to cash. (Using the formula for calculating equity specified above, the net cash value of real property is the market value of the loan (mortgage) minus the expenses to convert to cash (Notice PIH 2012-3).

HACP Policy
For the purposes of calculating expenses to convert to cash for real property, the HACP will use ten percent of the market value of the home.

A family may have real property as an asset in two ways (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of

rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero.

In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.

HACP Policy
In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless the HACP determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

Trusts
A *trust* is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).
Revocable Trusts

If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset (HCV GB, p. 5-25). Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.

Nonrevocable Trusts
In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate (24 CFR 5.603(b)). (Periodic payments are covered in

section 6-I.H. Lump-sum receipts are discussed earlier in this section.)

Retirement Accounts
Company Retirement/Pension Accounts

In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, the PHA must know whether the money is accessible before retirement (HCV GB, p. 5-26).

While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset (HCV GB, p. 5-26). After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate (HCV GB, p. 5-26), except to the extent that it represents funds invested in the account by the family member. (For more on periodic payments, see section 6-I.H.) The balance in the account is counted as an asset only if it remains accessible to the family member.

IRA, Keogh, and Similar Retirement Savings Accounts
IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty (HCV GB, p. 5-25).

Personal Property
Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset (HCV GB, p. 5-25).

> ***HACP Policy***
> In determining the value of personal property held as an investment, the HACP will use the family's estimate of the value. The HACP may obtain an appraisal to confirm the value of the asset if there is reason to believe that the family's estimated value is off by $50 or more. The family must cooperate with the appraiser but cannot be charged any costs related to the appraisal.
>
> Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.

Necessary items of personal property are not considered assets (24 CFR 5.603(b)).

> ***HACP Policy***
> Necessary personal property consists of only those items not held as an investment, and may include clothing, furniture, household furnishings, jewelry, and vehicles, including those specially equipped for persons with disabilities.

Life Insurance
The cash value of a life insurance policy available to a family member before death,

such as a whole life or universal life policy, is included in the calculation of the value of the family's assets [HCV GB 5-25]. The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount or total of dividends or interest is counted as income from the asset whether or not the family actually receives it.

6-I.H. PERIODIC PAYMENTS

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.

Periodic Payments Included in Annual Income

- Periodic payments from sources such as social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions. However, periodic payments from retirement accounts, annuities, and similar forms of investments are counted only after they exceed the amount contributed by the family [24 CFR 5.609(b)(4) and (b)(3)].
- Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV, p. 5-14].

Lump-Sum Payments for the Delayed Start of a Periodic Payment

Most lump-sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income. Additionally, any deferred disability benefits that are received in a lump-sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income [24 CFR 5.609(c)(14)].

> ***HACP Policy***
>
> When a delayed-start payment is received and reported during the period in which the HACP is processing an annual reexamination, the HACP will adjust the family share and HACP subsidy retroactively for the period the payment was intended to cover. The family may pay in full any amount due or request to enter into a repayment agreement with the HACP.

Treatment of Overpayment Deductions from Social Security Benefits

The PHA must make a special calculation of annual income when the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld. Regardless of the amount withheld or the length of the withholding period, the PHA must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount [Notice PIH 2012-10].

Periodic Payments Excluded from Annual Income

- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the assisted family, who are unable to live alone) (24 CFR 5.609(c)(2)). (inship guardianship assistance payments (in-GAP) and other similar guardianship payments are treated the same as foster care payments and are likewise excluded from annual income (Notice PIH 2012-1).

  HACP Policy
  The HACP will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency (HCV GB, p. 5-18).

- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home (24 CFR 5.609(c)(16)).
- Amounts received under the Low-Income Home Energy Assistance Program (42 .S.C. 1626(c)) (24 CFR 5.609(c)(17)).
- Amounts received under the Childcare and Development Block Grant Act of 1990 (42 .S.C. 9858q) (24 CFR 5.609(c)(17)).
- Earned Income Tax Credit (EITC) refund payments (26 .S.C. 32(j)) (24 CFR 5.609(c)(17)). *Note:* EITC may be paid periodically if the family elects to receive the amount due as part of payroll payments from an employer.
- Lump-sums received as a result of delays in processing Social Security and SSI payments (see section 6-I.H.) (24 CFR 5.609(c)(14)).
- Lump-sums or prospective monthly amounts received as deferred disability benefits from the Department of Veterans Affairs (VA) (24 CFR 5.609(c)(14)).

6-I PA MENTS IN LIEU OF EARNINGS

Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, are counted as income [24 CFR 5.609(b)(5) if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts (24 CFR 5.609(c)(3)). (See also the discussion of periodic payments in section 6-I.H and the discussion of lump-sum receipts in section 6-I.G.)

6-I J WELFARE ASSISTANCE

Overview

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments (24 CFR 5.603(b)).

Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615]
The PHA must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 6-5. The requirements are summarized below. This rule applies only if a family was receiving HCV assistance at the time the sanction was imposed.

Covered Families
The families covered by 24 CFR 5.615 are those "who receive welfare assistance or other public assistance benefits ('welfare benefits') from a State or other public agency ('welfare agency') under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance" [24 CFR 5.615(b)]

Imputed Income
When a welfare agency imposes a sanction that reduces a family's welfare income because the family commits fraud or fails to comply with the agency's economic self-sufficiency program or work activities requirement, the PHA must include in annual income "imputed" welfare income. The PHA must request that the welfare agency provide the reason for the reduction of benefits and the amount of the reduction of benefits. The imputed welfare income is the amount that the benefits were reduced as a result of the sanction.

This requirement does not apply to reductions in welfare benefits (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) if a family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements, or (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

Offsets
The amount of the imputed welfare income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

6-I.K. PERIODIC AND DETERMINABLE ALLOWANCES [24 CFR 5.609(b)(7)]
Annual income includes periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing with an assisted family.

Alimony and Child Support
The PHA must count alimony or child support amounts awarded as part of a divorce or separation agreement.

HACP Policy
The HACP will count court-awarded amounts for alimony and child support

unless the HACP verifies that (1) the payments are not being made, and (2) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments (HCV GB, pp. 5-23 and 5-47).

Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

Regular Contributions or Gifts

The PHA must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with an assisted family (24 CFR 5.609(b)(7)). Temporary, nonrecurring, or sporadic income and gifts are not counted (24 CFR 5.609(c)(9)).

HACP Policy

Examples of regular contributions include (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.

Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by the HACP. For contributions that may vary from month to month (e.g., utility payments), the HACP will include an average amount based upon past history.

6-I.L. STUDENT FINANCIAL ASSISTANCE (24 CFR 5.609(b)(9); Notice PIH 2015-21)

In 2005, Congress passed a law (for Section 8 programs only) requiring that certain student financial assistance be included in annual income. Prior to that, the full amount of student financial assistance was excluded. For some students, the full exclusion still applies.

Student Financial Assistance Included in Annual Income (24 CFR 5.609(b)(9); FR 4/10/06; Notice PIH 2015-21)

The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:

- They are enrolled in an institution of higher education, as defined under the Higher Education Act (HEA) of 1965.
- They are seeking or receiving Section 8 assistance on their own—that is, apart from their parents—through the HCV program, the project-based voucher program, or the moderate rehabilitation program.
- They are under 24 years of age **OR** they have no dependent children.

For students who satisfy these three conditions, any financial assistance in excess of

tuition and any other required fees and charges received (1) under the 1965 HEA, (2) from a private source, or (3) from an institution of higher education, as defined under the 1965 HEA, must be included in annual income.

To determine annual income in accordance with the above requirements, the PHA will use the definitions of dependent child, institution of higher education, and parents in section 3-II.E, along with the following definitions (FR 4/10/06, pp. 18148-18150).

- Assistance under the Higher Education Act of 1965 includes Pell Grants, Federal Supplement Educational Opportunity Grants, Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program, and Federal Work Study programs.
- Assistance from private sources means assistance from nongovernmental sources, including parents, guardians, and other persons not residing with the student in an HCV assisted unit.
- Tuition and fees are defined in the same manner in which the Department of Education defines *tuition and fees* (Notice PIH 2015-21).
  - This is the amount of tuition and required fees covering a full academic year most frequently charged to students.
  - The amount represents what a typical student would be charged and may not be the same for all students at an institution.
  - If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an academic year is used to estimate average tuition.
  - Required fees include all fixed-sum charges that are required of a large proportion of all students. Examples include, but are not limited to, writing and science lab fees and fees specific to the student's major or program (i.e., nursing program).
  - Expenses related to attending an institution of higher education must **not** be included as tuition. Examples include, but are not limited to, room and board, books, supplies, meal plans, transportation and parking, student health insurance plans, and other non-fixed-sum charges.

Student Financial Assistance <u>Excluded</u> from Annual Income (24 CFR 5.609(c)(6))
Any student financial assistance not subject to inclusion under 24 CFR 5.609(b)(9) is fully excluded from annual income under 24 CFR 5.609(c)(6), whether it is paid directly to the student or to the educational institution the student is attending. This includes any financial assistance received by

- Students residing with parents who are seeking or receiving Section 8 assistance
- Students who are enrolled in an educational institution that does **not** meet the 1965 HEA definition of *institution of higher education*

- Students who are over 23 **AND** have at least one dependent child, as defined in section 3-II.E
- Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA.

6-I M ADDITIONAL E CLUSIONS FROM ANNUAL INCOME

Other exclusions contained in 24 CFR 5.609(c) that have not been discussed earlier in this chapter include the following

- Reimbursement of medical expenses 24 CFR 5.609(c)(4)
- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program 24 CFR 5.609(c)(8)(iii)
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) (24 CFR 5.609(c)(8)(ii)
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era 24 CFR 5.609(c)(10)
- Adoption assistance payments in excess of $480 per adopted child 24 CFR 5.609(c)(12)
- Refunds or rebates on property taxes paid on the dwelling unit 24 CFR 5.609(c)(15)
- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home 24 CFR 5.609(c)(16)
- Amounts specifically excluded by any other federal statute 24 CFR 5.609(c)(17), FR Notice 5/20/14. H D publishes an updated list of these exclusions periodically. It includes

  (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 .S.C. 2017 (b))

  (b) Benefits under Section 1780 of the School Lunch Act and Child Nutrition Act of 1966, including WIC

  (c) Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 .S.C. 5044(g), 5058)

  (d) Payments received under the Alaska Native Claims Settlement Act (43 .S.C. 1626(c))

  (e) Income derived from certain sub-marginal land of the nited States that is held in trust for certain Indian tribes (25 .S.C. 459e)

  (f) Payments or allowances made under the Department of Health and Human

Services' Low-Income Home Energy Assistance Program (42 □.S.C. 8624(f))

(g) Payments received under programs funded in whole or in part under the Workforce Investment Act of 1998 (29 □.S.C. 2931)

(h) Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts

(i) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)

(j) Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 □.S.C. 1774f(b))

(k) A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the □nited States District Court case entitled Elouise Cobell et al. v. □en Salazar et al., for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010

(l) The first $2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the □. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first $2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 □.S.C. 1407-1408)

(m) Benefits under the Indian Veterans Housing Opportunity Act of 2010 (only applies to Native American housing programs)

(n) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 □.S.C. 3056(f))

(o) Payments received on or after □anuary 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.)

(p) Payments received under 38 □.S.C. 1833(c) to children of Vietnam veterans born with spinal bifida, children of women Vietnam veterans born with certain birth defects, and children of certain □orean service veterans born with spinal bifida

(q) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 □.S.C. 1721)

(r) The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Childcare and Development Block Grant Act of 1990 (42 □.S.C. 9858q)

(s) Earned income tax credit (EITC) refund payments received on or after □anuary 1, 1991 (26 □.S.C. 32(j))

(t) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)

(u) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965j, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 □.S.C. 1087uu). For Section 8 programs, the exception found in □237 of Public Law 109–249 applies and requires that the amount of financial assistance in excess of tuition and mandatory fees shall be considered income in accordance with the provisions

codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 □.S.C. 1437a(b)(3)(E) (Pub. L. 109–249) (See Section 6-I.L. for exceptions.)

(v) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 □.S.C. 12637(d))

(w) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 □.S.C. 10602)

(x) Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002

(y) Payments made from the proceeds of Indian tribal trust cases as described in Notice PIH 2013–30, "Exclusion from Income of Payments under Recent Tribal Trust Settlements" (25 □.S.C. 117b(a))

(z) Major disaster and emergency assistance received under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and comparable disaster assistance provided by states, local governments, and disaster assistance organizations

PART II: ADJUSTED INCOME

6-II.A. INTRODUCTION

Overview

HUD regulations require PHAs to deduct from annual income any of five mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income. Mandatory deductions are found in 24 CFR 5.611.

> 5.611(a) Mandatory deductions. In determining adjusted income, the responsible entity (PHA) must deduct the following amounts from annual income:
> (1) $480 for each dependent,
> (2) $400 for any elderly family or disabled family,
> (3) The sum of the following, to the extent the sum exceeds three percent of annual income:
> (i) Unreimbursed medical expenses of any elderly family or disabled family,
> (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
> (4) Any reasonable childcare expenses necessary to enable a member of the family to be employed or to further his or her education.

This part covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in Chapter 7.

Anticipating Expenses

HACP Policy

Generally, the HACP will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g. childcare during school and non-school periods and cyclical medical expenses), the HACP will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, the HACP will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. The HACP may require the family to provide documentation of payments made in the preceding year.

6-II.B. DEPENDENT DEDUCTION

An allowance of $480 is deducted from annual income for each dependent (24 CFR 5.611(a)(1)). *Dependent* is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents (24 CFR 5.603(b)).

6-II.C. ELDERLY OR DISABLED FAMILY DEDUCTION

A single deduction of $400 is taken for any elderly or disabled family (24 CFR 5.611(a)(2)). An *elderly family* is a family whose head, spouse, cohead, or sole member is 62 years of age or older, and a *disabled family* is a family whose head, spouse, cohead, or sole member is a person with disabilities (24 CFR 5.403).

6-II.D. MEDICAL EXPENSES DEDUCTION (24 CFR 5.611(a)(3)(i))

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income. The medical expense deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted (VG, p. 28).

Definition of *Medical Expenses*

HUD regulations define *medical expenses* at 24 CFR 5.603(b) to mean "medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance."

HACP Policy

The most current IRS Publication 502, *Medical and Dental Expenses,* will be used as a reference to determine the costs that qualify as medical expenses.

Summary of Allowable Medical Expenses from IRS Publication 502	
Services of medical professionals	Substance abuse treatment programs
Surgery and medical procedures that are necessary, legal, non-cosmetic	Psychiatric treatment
Services of medical facilities	Ambulance services and some costs of transportation related to medical expenses
Hospitalization, long-term care, and in-home nursing services	The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth)
Prescription medicines and insulin, but not nonprescription medicines even if recommended by a doctor	Cost and continuing care of necessary service animals
Improvements to housing directly related to medical needs (e.g., ramps for a wheel chair, handrails)	

	Medical insurance premiums or the cost of a health maintenance organization (HMO)
Note: This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.	

Families That Qualify for Both Medical and Disability Assistance Expenses

HACP Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the HACP will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-II E DISABILIT ASSISTANCE E PENSES DEDUCTION 24 CFR 5 603(b) and 24 CFR 5 611(a)(3)(ii)

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed three percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

Earned Income Limit on the Disability Assistance Expense Deduction

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work 24 CFR 5.603(b).

The disability expense deduction is capped by the amount of "earned income received by family members who are 18 years of age or older and who are able to work" because of the expense 24 CFR 5.611(a)(3)(ii). The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

HACP Policy

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family's request, the HACP will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When the HACP determines that the disability assistance expenses enable more than one family member to work, the expenses will be capped by the sum of the family members' incomes.

Eligible Disability Expenses
Examples of auxiliary apparatus are provided in the *HCV Guidebook* as follows: "Auxiliary apparatus are items such as wheelchairs, ramps, adaptations to vehicles, or special equipment to enable a blind person to read or type, but only if these items are directly related to permitting the disabled person or other family member to work" [HCV GB, p. 5-30].

HUD advises PHAs to further define and describe auxiliary apparatus [VG, p. 30].

Eligible Auxiliary Apparatus

HACP Policy
Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

Eligible Attendant Care
The family determines the type of attendant care that is appropriate for the person with disabilities.

HACP Policy
Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible. If the care attendant also provides other services to the family, the HACP will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or

the number of persons under care.

Payments to Family Members
No disability assistance expenses may be deducted for payments to a member of an assisted family [24 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.

Necessary and Reasonable Expenses
The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

HACP Policy
The HACP determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the HACP will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the HACP will consider, the family's justification for costs that exceed typical costs in the area.

Families That Qualify for Both Medical and Disability Assistance Expenses

HACP Policy
This policy applies only to families in which the head or spouse is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the HACP will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-II.F. CHILDCARE EXPENSE DEDUCTION
HUD defines *childcare expenses* at 24 CFR 5.603(b) as "amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income."

Clarifying the Meaning of *Child* for This Deduction
Childcare expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household [VG, p. 26]. However, childcare expenses for foster children that are living in the assisted family's household

are included when determining the family's childcare expenses (HCV GB, p. 5-29).

Qualifying for the Deduction
Determining Who Is Enabled to Pursue an Eligible Activity

HACP Policy
The family must identify the family member(s) enabled to pursue an eligible activity. The term *eligible activity* in this section means any of the activities that may make the family eligible for a childcare deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family's request, the HACP will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

HACP Policy
If the childcare expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member's job search efforts are not commensurate with the childcare expense being allowed by the HACP.

Furthering Education

HACP Policy
If the childcare expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the childcare claimed.

Being Gainfully Employed

HACP Policy
If the childcare expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that childcare is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Earned Income Limit on Childcare Expense Deduction
When a family member looks for work or furthers his or her education, there is no cap

on the amount that may be deducted for childcare – although the care must still be necessary and reasonable. However, when childcare enables a family member to work, the deduction is capped by "the amount of employment income that is included in annual income" [24 CFR 5.603(b)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.
When the person who is enabled to work is a person with disabilities who receives the earned income disallowance (EID) or a full-time student whose earned income above $480 is excluded, childcare costs related to enabling a family member to work may not exceed the portion of the person's earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes $15,000 but because of the EID only $5,000 is included in annual income, childcare expenses are limited to $5,000.

The PHA must not limit the deduction to the least expensive type of childcare. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working HCV GB, p. 5-30.

HACP Policy
When the childcare expense being claimed is to enable a family member to work, only one family member's income will be considered for a given period of time. When more than one family member works during a given period, the HACP generally will limit allowable childcare expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

Eligible Childcare Expenses
The type of care to be provided is determined by the assisted family. The PHA may not refuse to give a family the childcare expense deduction because there is an adult family member in the household that may be available to provide childcare VG, p. 26.

Allowable Childcare Activities

HACP Policy
For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of childcare.

The costs of general housekeeping and personal services are not eligible. Likewise, childcare expenses paid to a family member who lives in the family's unit are not eligible; however, payments for childcare to relatives who do not live in the unit are eligible.

If a childcare provider also renders other services to a family or childcare is used

to enable a family member to conduct activities that are not eligible for consideration, the HACP will prorate the costs and allow only that portion of the expenses that is attributable to childcare for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the childcare provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Necessary and Reasonable Costs

Childcare expenses will be considered necessary if (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the childcare provider verifies, that the expenses are not paid or reimbursed by any other source.

HACP Policy

Childcare expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For childcare that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of childcare costs, the HACP will use the schedule of childcare costs from the local welfare agency. Families may present, and the HACP will consider, justification for costs that exceed typical costs in the area.

PART III: CALCULATING FAMIL SHARE AND PHA SUBSID

6-III A OVERVIEW OF RENT AND SUBSID CALCULATIONS

TTP Formula 24 CFR 5 628

H D regulations specify the formula for calculating the total tenant payment (TTP) for an assisted family. TTP is the highest of the following amounts, rounded to the nearest dollar

- 30 percent of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10 percent of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent between $0 and $50 that is established by the PHA

The PHA has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6-III.B.

The amount that a family pays for rent and utilities (the family share) will never be less than the family's TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

Welfare Rent 24 CFR 5 628

HACP Policy

Welfare rent does not apply in this locality.

Minimum Rent 24 CFR 5 630

HACP Policy

The minimum rent for this locality is $50.00 dollars.

Family Share 24 CFR 982 305(a)(5)

If a family chooses a unit with a gross rent (rent to owner plus an allowance for tenant-paid utilities) that exceeds the HACP's applicable payment standard: (1) the family will pay more than the TTP, and (2) at initial occupancy, the HACP may not approve the tenancy if it would require the family share to exceed 40 percent of the family's monthly adjusted income. The income used for this determination must have been verified no earlier than 60 days before the family's voucher was issued. (For a discussion of the application of payment standards, see section 6-III.C.)

PHA Subsidy 24 CFR 982 505(b)

The HACP will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of (1) the applicable payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP. (For a discussion of the application of payment standards, see section 6-III.C.)

Utility Reimbursement [24 CFR 982.514(b), 982.514(c)]
When the PHA subsidy for a family exceeds the rent to owner, the family is due a utility reimbursement. HUD permits the PHA to pay the reimbursement to the family or directly to the utility provider.

HACP Policy
The HACP has the discretion to make utility reimbursements to the family or the utility provider.

The PHA may make all utility reimbursement payments to qualifying families on a monthly basis or may make quarterly payments when the monthly reimbursement amount is $15.00 or less. Reimbursements must be made once per calendar-year quarter and must be prorated if the family leaves the program in advance of its next quarterly reimbursement. The PHA must also adopt hardship policies for families for whom receiving quarterly reimbursement would create a financial hardship.

HACP Policy
The HACP will issue all utility reimbursements monthly.

6-III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630]
HACP Policy
The financial hardship rules described below do not apply in this jurisdiction because the HACP has established a minimum rent of $50.00 dollars.

Overview
If the PHA establishes a minimum rent greater than zero, the PHA must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship.

The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If the PHA determines that a hardship exists, the family share is the highest of the remaining components of the family's calculated TTP.

HUD-Defined Financial Hardship
Financial hardship includes the following situations:
(1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

HACP Policy
A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.
For a family waiting for a determination of eligibility, the hardship period will end

as of the first of the month following (1) implementation of assistance, if approved, or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.

(2) The family would be evicted because it is unable to pay the minimum rent.

HACP Policy
For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent to the owner or tenant-paid utilities.

(3) Family income has decreased because of changed family circumstances, including the loss of employment.

(4) A death has occurred in the family.

HACP Policy
In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

(5) The family has experienced other circumstances determined by the PHA.

HACP Policy
The HACP has not established any additional hardship criteria.

Implementation of Hardship Exemption

Determination of Hardship
When a family requests a financial hardship exemption, the PHA must suspend the minimum rent requirement beginning the first of the month following the family's request.

The PHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

HACP Policy
The HACP defines temporary hardship as a hardship expected to last 90 days or less. Long-term hardship is defined as a hardship expected to last more than 90 days.

When the minimum rent is suspended, the family share reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

Example: Impact of Minimum Rent Exemption Assume the PHA has established a minimum rent of $35.	
Family Share – No Hardship	**Family Share – With Hardship**
$0 30□ of monthly adjusted $15 income N/A 10□ of monthly gross income $35 Welfare rent Minimum rent	$0 30□ of monthly adjusted $15 income N/A 10□ of monthly gross income $35 Welfare rent Minimum rent
Minimum rent applies. TTP = $35	Hardship exemption granted. TTP = $15

HACP Policy

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent.

The HACP will make the determination of hardship within 30 calendar days.

No Financial Hardship

If the PHA determines there is no financial hardship, the PHA will reinstate the minimum rent and require the family to repay the amounts suspended.

HACP Policy

The HACP will require the family to repay the suspended amount within 30 calendar days of the HACP's notice that a hardship exemption has not been granted.

Temporary Hardship

If the PHA determines that a qualifying financial hardship is temporary, the PHA must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption.

At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay the PHA the amounts suspended. H□D requires the PHA to offer a reasonable repayment agreement, on terms and conditions established by the PHA. The PHA also may determine that circumstances have recently changed and the hardship is now a long-term hardship.

HACP Policy

The HACP will enter into a repayment agreement in accordance with the procedures found in Chapter 16 of this plan.

Long-Term Hardship
If the PHA determines that the financial hardship is long-term, the PHA must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

HACP Policy
The hardship period ends when any of the following circumstances apply:
(1) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.
(2) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a $60/month child support payment, the hardship will continue to exist until 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
The HACP's schedule of payment standards is used to calculate housing assistance payments for HCV families. This section covers the application of the HACP's payment standards. The establishment and revision of the HACP'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 the HACP'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 the HACP has established an exception payment standard for a designated part of a zip code area or FMR area and a family's unit is located in the exception area, the PHA must use the appropriate payment standard for the exception area.

The HACP 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, the HACP 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 the HACP 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 a HACP changes its payment standard schedule, resulting in a lower payment standard amount, during the term of a HAP contract, the HACP is not required to 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).

However, if the HACP 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, the HACP may either reduce the payment standard to the current amount in effect on the HACP's payment standard schedule or may reduce the payment standard to another amount that is higher than the normally applicable amount on the schedule. The HACP may also establish different policies for designated areas within their jurisdiction (e.g., different zip code areas).

In any case, the HACP must provide the family with at least 12 months' notice that the payment standard is being reduced before the effective date of the change. The HACP'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.

> ***HACP Policy***
> If a HACP changes its payment standard schedule resulting in a lower payment standard amount, during the term of a HAP contract, the HACP will not reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect.
>
> The HACP will not establish different policies for decreases in the payment standard for designated areas within their jurisdiction.

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.
Families requiring or requesting interim reexaminations will not have their HAP payments calculated using the higher payment standard until their next annual reexamination (HCV GB, p. 7-8).

Changes in Family Unit Size
Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family's first regular reexamination following the change in family unit size.

Reasonable Accommodation
If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, the PHA is allowed to establish a higher payment standard for the family of not more than 120 percent of the published FMR.

6-III.D. APPLYING UTILITY ALLOWANCES [24 CFR 982.517]

Overview
A PHA-established utility allowance schedule is used in determining family share and PHA subsidy. A family's utility allowance is determined by the size of dwelling unit leased by a family or the voucher unit size for which the family qualifies using HACP subsidy standards, whichever is the lowest of the two. See Chapter 5 for information on the HACP's subsidy standards.

For policies on establishing and updating utility allowances, see Chapter 16.

Reasonable Accommodation
HCV program regulations require a PHA to approve a utility allowance amount higher than shown on the HACP's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, the HACP will approve an allowance for air-conditioning, even if the HACP has determined that an allowance for air-conditioning generally is not needed.

In the cases where the unit size leased exceeds the family voucher size, as a reasonable accommodation, HACP may approve a utility allowance for the actual size of the unit leased.

The family must request the higher allowance and provide the HACP with an explanation of the need for the reasonable accommodation and information about the amount of additional allowance required [HCV GB, p. 18-8].

Utility Allowance Revisions
At reexamination, the HACP must use the HACP current utility allowance schedule [24 CFR 982.517(d)(2)].

> ***HACP Policy***
> Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination after the most recent allowance adopted.

6-III.E. PRORATED ASSISTANCE FOR MIXED FAMILIES [24 CFR 5.520]

HUD regulations prohibit assistance to ineligible family members. A mixed family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. The PHA must prorate the assistance provided to a mixed family. The PHA will first determine assistance as if all family members were eligible and then prorate the assistance based upon the percentage of family members that actually are eligible. For example, if the PHA subsidy for a family is calculated at $500 and two of four family members are ineligible, the PHA subsidy would be reduced to $250.

EXHIBIT 6-1: ANNUAL INCOME INCLUSIONS

24 CFR 5.609

(a) *Annual income means all amounts, monetary or not, which:*

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph (c) of this section.

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) *Annual income includes, but is not limited to:*

(1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of $5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) Welfare assistance payments.

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments□

(A) □ualify as assistance under the TANF program definition at 45 CFR 260.311; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of□

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section)

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 □.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 □.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

HHS DEFINITION OF □ASSISTANCE□

45 CFR: GENERAL TEMPORAR□ ASSISTANCE FOR NEED□ FAMILIES

260□31 What does the term "assistance" mean?

(a)(1) The term "assistance" includes cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).

(2) It includes such benefits even when they are□

(i) Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and

(ii) Conditioned on participation in work experience or community service (or any other work activity under 261.30 of this chapter).

1 Text of 45 CFR 260.31 follows.

(3) Except where excluded under paragraph (b) of this section, it also includes supportive services such as transportation and childcare provided to families who are not employed.

(b) [The definition of “assistance”] excludes (1) Nonrecurrent, short-term benefits that

(i) Are designed to deal with a specific crisis situation or episode of need;

(ii) Are not intended to meet recurrent or ongoing needs; and

(iii) Will not extend beyond four months.

(2) Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

(3) Supportive services such as childcare and transportation provided to families who are employed;

(4) Refundable earned income tax credits;

(5) Contributions to, and distributions from, Individual Development Accounts;

(6) Services such as counseling, case management, peer support, childcare information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and

(7) Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Social Security Act, to an individual who is not otherwise receiving assistance.

E□HIBIT 6-2: ANNUAL INCOME E□CLUSIONS

24 CFR 5□609

***(c)** Annual income does not include the following:*

(1) Income from employment of children (including foster children) under the age of 18 years;

(2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);

(4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

(5) Income of a live-in aide, as defined in Sec. 5.403;

(6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;

(7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

(8) (i) Amounts received under training programs funded by H□D;

(ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child-care, etc.) and which are made solely to allow participation in a specific program;

(iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed $200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;

(v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;

(9) Temporary, nonrecurring or sporadic income (including gifts);

(10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the

Nazi era;

(11) Earnings in excess of $480 for each full-time student 18 years old or older (excluding the head of household and spouse);

(12) Adoption assistance payments in excess of $480 per adopted child;

(13) [Reserved]

(14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or prospective monthly amounts.

(15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. [Updates will be published and distributed when necessary. [See Section 6-I.M. for a list of benefits that qualify for this exclusion.]

E□HIBIT 6-3: TREATMENT OF FAMIL□ ASSETS

24 CFR 5□603(b) Net Family Assets

(1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in H□D homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

(2) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under Sec. 5.609.

(3) In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

(4) For purposes of determining annual income under Sec. 5.609, the term "net family assets" does not include the value of a home currently being purchased with assistance under part 982, subpart M of this title. This exclusion is limited to the first 10 years after the purchase date of the home.

EXHIBIT 6-4: EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES

24 CFR 5.617 Self-sufficiency incentives for persons with disabilities–Disallowance of increase in annual income

(a) *Applicable programs.* The disallowance of earned income provided by this section is applicable only to the following programs: HOME Investment Partnerships Program (24

CFR part 92); Housing Opportunities for Persons with AIDS (24 CFR part 574); Supportive Housing Program (24 CFR part 583); and the Housing Choice Voucher Program (24 CFR part 982).

(b) *Definitions.* The following definitions apply for purposes of this section.

Baseline income. The annual income immediately prior to implementation of the disallowance described in paragraph (c)(1) of this section of a person with disabilities (who is a member of a qualified family).

Disallowance. Exclusion from annual income.

Previously unemployed includes a person with disabilities who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Qualified family. A family residing in housing assisted under one of the programs listed in paragraph (a) of this section or receiving tenant-based rental assistance under one of the programs listed in paragraph (a) of this section.

(1) Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment,

(2) Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or

(3) Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance-- provided that the total amount over a six-month period is at least $500.

(c) *Disallowance of increase in annual income—*

(1) *Initial twelve-month exclusion.* During the 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the responsible entity must exclude from annual income (as defined in the regulations governing the applicable program listed in paragraph (a) of this section) of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

(2) *Second twelve-month exclusion and phase-in.* Upon expiration of the 12-month period defined in paragraph (c)(1) of this section and for the subsequent 12-month period, the responsible entity must exclude from annual income of a qualified family at least 50 percent of any increase in income of such family member as a result of employment over the family member's baseline income.

(3) *Maximum 2-year disallowance.* The disallowance of increased income of an individual family member who is a person with disabilities as provided in paragraph (c)(1) or (c)(2) of this section is limited to a lifetime 24-month period. The disallowance applies for a maximum of 12 months for disallowance under paragraph (c)(1) of this section and a maximum of 12 months for disallowance under paragraph (c)(2) of this section, during the 24- month period starting from the initial exclusion under paragraph (c)(1) of this section.

(4) *Effect of changes on currently participating families.* Families eligible for and participating in the disallowance of earned income under this section prior to *May 9, 2016* will continue to be governed by this section in effect as it existed immediately prior to that date (see 24 CFR parts 0 to 199, revised as of April 1, 2016).

(d) *Inapplicability to admission.* The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

EXHIBIT 6-5: THE EFFECT OF WELFARE BENEFIT REDUCTION

24 CFR 5.615

Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income

(a) *Applicability.* This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

(b) *Definitions.* The following definitions apply for purposes of this section:

Covered families. Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

Economic self-sufficiency program. See definition at Sec. 5.603.

Imputed welfare income. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

Specified welfare benefit reduction.

(1) A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

(2) "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

(i) at expiration of a lifetime or other time limit on the payment of welfare benefits;

(ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

(iii) because a family member has not complied with other welfare agency requirements.

(c) *Imputed welfare income.*

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the PHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the PHA, the welfare agency will inform the PHA in writing of the amount and term of any specified welfare benefit reduction for a family

member, and the reason for such reduction, and will also inform the PHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The PHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family's annual income includes imputed welfare income in family annual income, as determined at the PHA's interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to the PHA by the welfare agency).

(4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed

(5) The PHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

(d) *Review of PHA decision.*

(1) Public housing. If a public housing tenant claims that the PHA has not correctly calculated the amount of imputed welfare income in accordance with H□D requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. The PHA notice shall also state that if the tenant does not agree with the PHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the PHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the PHA determination.

(2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the PHA determination of the amount of imputed welfare income that must be included in the family's annual income in accordance with this section. If the family claims that such amount is not correctly calculated in accordance with H□D requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the family written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the PHA determination, the family may request an informal hearing on the determination under the PHA hearing procedure.

(e) *PHA relation with welfare agency.*

(1) The PHA must ask welfare agencies to inform the PHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the

term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the PHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) The PHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency and specified in the notice by the welfare agency to the PHA. However, the PHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.

(3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The PHA shall be entitled to rely on the welfare agency notice to the PHA of the welfare agency's determination of a specified welfare benefits reduction.

Chapter 7

VERIFICATION

[24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230, Notice PIH 2010-19]

INTRODUCTION

The PHA must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain written authorization from the family in order to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. The PHA must not pass on the cost of verification to the family.
The PHA will follow the verification guidance provided by HUD in Notice PIH 2010-19 and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary PHA policies.

Part I describes the general verification process.

Part II provides more detailed requirements related to family information.

Part III provides information on income and assets, and

Part IV covers mandatory deductions.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies of the PHA.

PART I: GENERAL VERIFICATION REQUIREMENTS

7-I.A. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 982.516 AND 982.551, 24 CFR 5.230]

The family must supply any information that the PHA or HUD determines is necessary to the administration of the program and must consent to PHA verification of that information [24 CFR 982.551].

Consent Forms

It is required that all adult applicants and participants sign form HUD-9886, Authorization for Release of Information. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the PHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family

members. Only H□D is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA). Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

Penalties for Failing to Consent □24 CFR 5□232□
If any family member who is required to sign a consent form fails to do so, the PHA will deny admission to applicant and terminate assistance to participant. The family may request an informal review (applicant) or informal hearing (participant) in accordance with PHA procedures.

7-I□B□OVERVIEW OF VERIFICATION REQUIREMENTS

HUD's Verification Hierarchy [Notice PIH 2010-19□

H□D mandates the use of the EIV system and offers administrative guidance on the use of other methods to verify family information and specifies the circumstances in which each method will be used. In general H□D requires the PHA to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

In order of priority, the forms of verification that the PHA will use are□

• Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
• Up-front Income Verification (□IV) using a non-H□D system
• Written Third-Party Verification (may be provided by applicant or participant)
• Written Third-party Verification Form
• Oral Third-party Verification
• Self-Certification

Each of the verification methods is discussed in subsequent sections below. Exhibit 7-1 below contains an excerpt from the notice that provides guidance with respect to how each method may be used.

Exhibit 7-1 HUD's Verification Hierarchy

Level	Verification Technique	Ranking
6	**Upfront Income Verification (UIV)** using HUD's Enterprise Income Verification (EIV) system (not available for income verifications of applicants)	**Highest** (Mandatory)
5	**Upfront Income Verification (UIV) using non-HUD system**	**Highest** (Optional)
4	**Written third Party Verification**	**High** (Mandatory to supplement EIV-reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV-reported employment and income information **and** is unable to provide acceptable documentation to support dispute)
3	**Written Third Party Verification Form**	**Medium-Low** (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
2	**Oral Third Party Verification**	**Low** (Mandatory if written third party verification is not available)
1	**Tenant Declaration**	**Low** (Use as a last resort when unable to obtain any type of third party verification)

Each of the verification methods is discussed in subsequent sections below.

Requirements for Acceptable Documents

HACP Policy:

Any documents used for verification must be the original (not photocopies) and generally must be dated within 60 days of the HACP request. The documents must not be damaged, altered or in any way illegible.

Print-outs from Web pages are considered original documents.
The HACP staff member who views the original document must make a photocopy, annotate the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.

Any family self-certifications must be made in a format acceptable to the HACP and must be signed in the presence of a HACP representative or HACP notary public.

File Documentation

The PHA must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the PHA has followed all of the verification policies set forth in this plan. The record should be sufficient to enable a staff member or H□D reviewer to understand the process followed and conclusions reached.

HACP Policy:

The HACP will document, in the family file, the following□

- Reported family annual income
- Value of assets
- Expenses related to deductions from annual income
- Other factors influencing adjusted income

When the PHA is unable to obtain third-party verification, the PHA will document in the family file the reason that third-party verification was not available □24 CFR 982.516(a)(2); Notice PIH 2010-19□.

7-I□C□UP-FRONT INCOME VERIFICATION (UIV)

□p-front income verification (UIV) refers to the PHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. □IV will be used to the extent that these systems are available to the PHA.

There may be legitimate differences between the information provided by the family and □IV-generated information. If the family disputes the accuracy of □IV

data, no adverse action can be taken until the PHA has independently verified the □IV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the PHA.

See Chapter 6 for the PHA's policy on the use of UIV/EIV to project annual income.

Upfront Income Verification Using HUD's Enterprise Income Verification (EIV) System (Mandatory)

PHAs must use HUD's EIV system in its entirety as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance with 24 CFR 5.236 and administrative guidance issued by H□D. The EIV system contains data showing earned income, unemployment benefits, social security benefits, and SSI benefits for participant families. The following policies apply to the use of HUD's EIV system.

EIV Income Reports

The data shown on income reports is updated quarterly. Data may be between 3 and 6 months old at the time reports are generated.

> ***HACP Policy:***
>
> The HACP will obtain income reports for annual reexaminations on a monthly basis. Reports will be generated as part of the regular reexamination process.
>
> Income reports will be compared to family-provided information as part of the annual reexamination process. Income reports may be used in the calculation of annual income, as described in Chapter 6-I.C. Income reports may also be used to meet the regulatory requirement for third party verification, as described above. Policies for resolving discrepancies between income reports and family-provided information will be resolved as described in Chapter 6-I.C. and in this chapter.
>
> Income reports will be used in interim reexaminations to identify any discrepancies between reported income and income shown in the EIV system, if necessary to verify earned income, and to verify and calculate unemployment benefits, Social Security and/or SSI benefits. EIV will also be used to verify that families claiming zero income are not receiving income from any of these sources.
>
> Income reports will be retained in participant files with the applicable annual or interim reexamination documents.
>
> When the HACP determines through income reports and third-party

verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 14, Program Integrity.

EIV Identity Verification

The EIV system verifies tenant identities against SSA records. These records are compared to PIC data for a match on social security number, name, and date of birth.

PHAs are required to use EIV's Identity Verification Report on a monthly basis to improve the availability of income information in EIV [Notice PIH 2012-10].

When identity verification for a participant fails, a message will be displayed within the EIV System and no income information will be displayed.

HACP Policy:

The HACP will identify participants whose identity verification has failed by reviewing EIV's Identity Verification Report on a monthly basis.

The HACP will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the participant. When the HACP determines that discrepancies exist due to HACP errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

Upfront Income Verification Using Non-HUD Systems (Optional)

In addition to mandatory use of the EIV system, HUD encourages PHAs to utilize other upfront verification sources.

HACP Policy:

The HACP will inform all applicants and participants of its use of the following [IV resources during the admission and reexamination process]

- HUD's EIV system

7-I[D] Fixed Income Sources of Income

For any family member with a fixed source of income, the PHA shall determine that family member's income by means of a streamlined income determination. A streamlined income determination must be conducted by applying, for each fixed-income source, the verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income amount.

(1) Family member with a fixed source of income is defined as a family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources:

(i) Social Security, Supplemental Security Income, Supplemental Disability Insurance,

(ii) Federal, state, local, or private pension plans,

(iii) Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or

(iv) Any other source of income subject to adjustment by a verifiable COLA or current rate of interest.

(2) The HACP shall use a COLA or current rate of interest specific to the fixed source of income in order to adjust the income amount. The HACP shall verify the appropriate COLA or current rate of interest from a public source or through tenant-provided, third party-generated documentation. If no such verification is available, then the HACP shall obtain third-party verification of income amounts in order to calculate the change in income for the source.

(3) For any family member whose income is determined pursuant to a streamlined income determination, the HACP shall obtain third-party verification of all income amounts every 3 years.

7-I E THIRD-PART WRITTEN AND ORAL VERIFICATION

HUD's current verification hierarchy defines two types of written third-party verification. The more preferable form, "written third-party verification," consists of an original document generated by a third-party source, which may be received directly from a third-party source or provided to the PHA by the family. If written third-party verification is not available, the PHA must attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party.

Written Third-Party Verification Notice PIH 2010-19

Written third-party verification documents must be original and authentic and may be supplied by the family or received from a third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to, pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

The PHA is required to obtain, at minimum, two current and consecutive pay stubs for determining annual income from wages.

The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible.

HACP Policy:

Third-party documents provided by the family must be dated within 60 days of the HACP request date.

If the HACP determines that third-party documents provided by the family

are not acceptable, the HACP will explain the reason to the family and request additional documentation.

As verification of earned income, the HACP will require the family to provide the two most current, consecutive pay stubs.

Written Third-Party Verification Form

When upfront verification is not available and the family is unable to provide written third-party documents, the PHA must request a written third-party verification form. HUD's position is that this traditional third-party verification method presents administrative burdens and risks which may be reduced through the use of family-provided third-party documents.

PHAs may mail, fax, or e-mail third-party written verification form requests to third-party sources.

HACP Policy:

The HACP will send third-party verification forms directly to the third party.

Third-party verification forms will be sent when third-party verification documents are unavailable or are rejected by the HACP.

Oral Third-Party Verification Notice PIH 2010-19

For third-party oral verification, PHAs contact sources, identified by IV techniques or by the family, by telephone or in person.

Oral third-party verification is mandatory if neither form of written third-party verification is available.

Third-party oral verification may be used when requests for written third-party verification forms have not been returned within a reasonable time—e.g., 10 business days.

PHAs should document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed.

HACP Policy:

In collecting third-party oral verification, HACP staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally to the initial written request for verification the HACP will accept the verbal response as oral verification but will also request that the source complete and return any verification

forms that were provided.

When Third-Party Verification is Not Required (Notice PIH 2010-19)

Third-party verification may not be available in all situations. HUD has acknowledged that it may not be cost-effective or reasonable to obtain third-party verification of income, assets, or expenses when these items would have a minimal impact on the family's total tenant payment.

HACP Policy:

If the family cannot provide original documents, the HACP will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost (VG, p. 18).

Primary Documents

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

Imputed Assets

HUD permits PHAs to accept a self-certification from a family as verification of assets disposed for less than fair market value (HCV GB, p. 5-28).

HACP Policy:

The HACP will accept a self-certification from a family as verification of assets disposed for less than fair market value.

Value of Assets and Asset Income (24 CFR 982.516(a))

For families with net assets totaling $5,000 or less, the PHA may accept the family's declaration of asset value and anticipated asset income. However, the PHA is required to obtain third-party verification of all assets regardless of the amount during the intake process and at least every three years thereafter.

HACP Policy:

For families with net assets totaling $5,000 or less, the HACP will accept the family's self-certification of the value of family assets and anticipated asset income when applicable. The family's declaration must show each asset and the amount of income expected from that asset. All family members 18 years of age and older must sign the family's declaration.

The HACP will use third-party documentation for assets as part of the

intake process, whenever a family member is added to verify the individual's assets, and every three years thereafter.

7-I E SELF-CERTIFICATION

When H D requires third-party verification, self-certification or "tenant declaration" is used as a last resort when the PHA is unable to obtain third-party verification.

Self-certification is an acceptable form of verification when

- A source of income is fully excluded
- Net family assets total $5,000 or less and the PHA has adopted a policy to accept self-certification at annual recertification, when applicable
- The PHA has adopted a policy to implement streamlined annual recertifications for fixed sources of income (See Chapter 11)

When the PHA was required to obtain third-party verification but instead relies on a tenant declaration for verification of income, assets, or expenses, the family's file must be documented to explain why third-party verification was not available.

HACP Policy:

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the HACP.

The HACP may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to the HACP and must be signed by the family member whose information or status is being verified. All self-certifications must be signed in the presence of a PHA representative or PHA notary public.

PART II: VERIF□ING FAMIL□ INFORMATION

7-II□A□VERIFICATION OF LEGAL IDENTIT□

HACP Policy:

The HACP will require families to furnish verification of legal identity for each household member.

Verification of Legal Identity for Adults	Verification of Legal Identity for Children
Birth certificate, naturalization papers Church issued baptismal certificate Current, valid driver's license or Department of Motor Vehicles identification card □.S. military discharge (DD 214) Current □.S. passport Current employer identification card Current government employer identification card with picture An unexpired foreign passport with an I-551 stamp, or with Form I-94 attached which indicates an unexpired employment authorization A Permanent Resident Card (often called a “green card”) or Alien Registration Receipt Card with photograph An unexpired Temporary Resident Card An unexpired Employment Authorization Card An unexpired Employment Authorization Document issued by the Dept. of Homeland Security that includes a photograph (Form I-766) Federal or state ID card provided it contains a photograph and identifying information such as name, date of birth, gender, height, eye color and address.	Birth certificate Adoption papers Custody agreement Health and Human Services ID Certified school records Student Identification card Clinic, doctor or hospital record Day care or nursery school record

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.
If none of these documents can be provided, and at the HACP’s

discretion, a third party who knows the person may attest to the person's identity. The certification must be provided in a format acceptable to the HACP and be signed in the presence of a HACP representative or HACP notary public.

Legal identity will be verified for all applicants at the time of eligibility determination and in cases where the HACP has reason to doubt the identity of a person representing him or herself to be a participant.

7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216, Notice PIH 2012-10]

The family must provide documentation of a valid social security number (SSN) for each member of the household, with the exception of individuals who do not contend eligible immigration status. Exemptions also include existing program participants who were at least 62 years of age as of January 31, 2010 and had not previously disclosed an SSN.

Note that an individual who previously declared to have eligible immigration status may not change his or her declaration for the purpose of avoiding compliance with the SSN disclosure and documentation requirements or penalties associated with noncompliance with these requirements. Nor may the head of household opt to remove a household member from the family composition for this purpose.

The PHA must accept the following documentation as acceptable evidence of the social security number:

- An original SSN card issued by the Social Security Administration (SSA)
- An original SSA-issued document, which contains the name and SSN of the individual
- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

The PHA may only reject documentation of an SSN provided by an applicant or participant if the document is not an original document or if the original document has been altered, mutilated, is illegible, or appears to be forged.

HACP Policy:

The HACP will explain to the applicant or participant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the HACP within 90 days.

In the case of Moderate Rehabilitation Single Room Occupancy (SRO) individuals, the required documentation must be provided within 90 calendar

days from the date of admission into the program. The PHA must grant one additional 90-day extension if it determines that the applicant's failure to comply was due to circumstances that were beyond the applicant's control and could not have been reasonably foreseen.

HACP Policy:
The HACP will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency. If the individual fails to comply with SSN disclosure and documentation requirements upon expiration of the provided time period, the HACP will terminate the applicant or participant's assistance.

If an applicant family includes a child under 6 years of age who joined the household within the 6 months prior to the date of voucher issuance, an otherwise eligible family may be admitted to the program and the family must provide documentation of the child's SSN within 90 days of the effective date of the initial HAP contract. A 90-day extension will be granted if the PHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control.

HACP Policy:
The HACP will grant one additional 90-day extension if needed for reasons beyond the applicant's control, such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

When a participant requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the participant must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the documentation required to verify it. The PHA may not add the new household member until such documentation is provided.

When a participant requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the participant must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. A 90-day extension will be granted if the PHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control. During the period the PHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household.

HACP Policy:
The HACP will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of

the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

Social security numbers must be verified only once during a continuously assisted occupancy.

HACP Policy:

The HACP will verify each disclosed SSN by

Obtaining documentation from applicants and participants that is acceptable as evidence of social security numbers, making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder

Once the individual's verification status is classified as "verified," the HACP may, at its discretion, remove and destroy copies of documentation accepted as evidence of social security numbers. The retention of the EIV Summary Report or Income Report is adequate documentation of an individual's SSN.

HACP Policy:

Once an individual's status is classified as "verified" in HUD's EIV system, the HACP will remove and destroy copies of documentation accepted as evidence of social security numbers.

7-II.C. DOCUMENTATION OF AGE

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

HACP Policy:

If an official record of birth or evidence of social security retirement benefits cannot be provided, the HACP will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded) and to provide a self-certification.

Age must be verified only once during a continuously assisted occupancy.

7-II.D. FAMILY RELATIONSHIPS

Applicants and program participants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Eligibility chapter.

HACP Policy:

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

Marriage

HACP Policy:

Certification by the head of household is normally sufficient verification. If the HACP has reasonable doubts about a marital relationship, the HACP will require the family to document the marriage.

A marriage certificate generally is required to verify that a couple is married.

In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (e.g., by telling the community they are married, calling each other husband and wife, using the same last name, filing joint income tax returns).

Separation or Divorce

HACP Policy:

Certification by the head of household is normally sufficient verification. If the HACP has reasonable doubts about a separation or divorce, the HACP will require the family to provide documentation of the divorce or separation.

A certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced.

A copy of a court-ordered maintenance or other court record is required to document a separation.

If no court document is available, documentation from a community-based agency will be accepted.

Absence of Adult Member

HACP Policy:

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill).

Foster Children and Foster Adults

HACP Policy:
Third-party verification from the state or local government agency responsible for the placement of the individual with the family is required.

7-II.E. VERIFICATION OF STUDENT STATUS
General Requirements

HACP Policy:
The HACP requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

The family reports full-time student status for an adult other than the head, spouse, or cohead.
The family reports child-care expenses to enable a family member to further his or her education.
The family includes a student enrolled in an *institution of higher education.*

Restrictions on Assistance to Students Enrolled in Institutions of Higher Education
This section applies only to students who are seeking assistance on their own, separately from their parents. It does not apply to students residing with parents who are seeking or receiving HCV assistance.

HACP Policy:
In accordance with the verification hierarchy described in section 7-1.B, the HACP 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

HACP Policy:
The HACP 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 □.S. Department of Education's definition of independent student (see section 3-II.E)

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 HACP determines that the student is a vulnerable youth (see section 3-II.E)

7-II□F□DOCUMENTATION OF DISABILIT□

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 person's disability [24 CFR 100.202(c)]. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA will not place this information in the tenant file. □nder

no circumstances will the PHA request a participant's medical record(s). For more information on health care privacy laws, see the Department of Health and Human Services' website at http://www.hhs.gov/ocr/privacy/.

The above cited regulation does not prohibit the following inquiries, provided these inquiries are made of all applicants, whether or not they are persons with disabilities (VG, p. 24):

- Inquiry into an applicant's ability to meet the requirements of ownership or tenancy
- Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or to persons with a particular type of disability
- Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with disabilities or to persons with a particular type of disability
- Inquiry whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance
- Inquiry whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance

Family Members Receiving SSA Disability Benefits
Verification of the receipt of disability benefits from the Social Security Administration (SSA) is sufficient verification of disability for the purpose of qualifying for waiting list preferences (if applicable) or certain income disallowances and deductions (VG, p. 23).

HACP Policy:
For family members claiming disability who ***receive*** disability benefits from the SSA, the HACP will attempt to obtain information about disability benefits through the HUD Enterprise Income Verification (EIV) system. If documentation from HUD's EIV System is not available, the HACP will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), the HACP will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213, or by requesting it from www.ssa.gov. Once the applicant or participant receives the benefit-verification letter, he/she will be required to provide it to the HACP.

Family Members Not Receiving SSA Disability Benefits
Receipt of veteran's disability benefits, worker's compensation, or other non-SSA

benefits based on the individual's claimed disability are not sufficient verification that the individual meets HUD's definition of disability in 24 CFR 5.403.

HACP Policy:

For family members claiming disability who ***do not receive*** disability benefits from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the H□D definition of disability. See the Eligibility chapter for the H□D definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the H□D definition.

7-II□G□CITI□ENSHIP OR ELIGIBLE IMMIGRATION STATUS □24 CFR 5□508□

Overview

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for "mixed families" containing both eligible and ineligible persons. A detailed discussion of eligibility requirements is in the Eligibility chapter. This verifications chapter discusses H□D and PHA verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a □.S. citizen, a □.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual it need not be collected or verified again during a continuously assisted occupancy. □24 CFR 5.508(g)(5)□

U□S□Citizens and Nationals

H□D requires a declaration for each family member who claims to be a □.S. citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

The PHA may request verification of the declaration by requiring presentation of a birth certificate, □nited States passport or other appropriate documentation.

HACP Policy:

Family members who claim □.S. citizenship or national status will not be required to provide additional documentation unless the HACP receives information indicating that an individual's declaration may not be accurate.

Eligible Immigrants Documents Required

All family members claiming eligible immigration status must declare their status in the same manner as □.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the □.S., the conditions under which eligible immigration status has been granted, age, and the date on which the

family began receiving H□D-funded assistance. Exhibit 7-1 at the end of this chapter summarizes documents family members must provide.

PHA Verification □HCV GB, pp. 5-3 and 5-7□
For family members age 62 or older who claim to be eligible immigrants, proof of age is required in the manner described in 7-II.C. of this plan. No further verification of eligible immigration status is required.
For family members under the age of 62 who claim to be eligible immigrants, the PHA must verify immigration status with the □nited States Citizenship and Immigration Services (□SCIS).

The PHA will follow all □SCIS protocols for verification of eligible immigration status.

7-II□H□VERIFICATION OF PREFERENCE STATUS
The PHA must verify any preferences claimed by an applicant that determined placement on the waiting list.

HACP Policy:
The HACP will offer a preference to any family that has been terminated from its HCV program due to insufficient program funding. The HACP will verify this preference using the HACP's termination records.

The HACP also offers a preference for victims of domestic violence, dating violence, sexual assault, or stalking, as described in Section 4-III.C. To verify that applicants qualify for the preference, the HACP will follow documentation requirements outlined in Section 16-IX.D.

PART III: VERIF□ING INCOME AND ASSETS
Chapter 6, Part I of this plan describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any assets and income reported by the family must be verified. This part provides PHA policies that supplement the general verification procedures specified in Part I of this chapter.

7-III□A□EARNED INCOME
Tips
HACP Policy:
Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year and tips anticipated to be received in the coming year.

Wages

HACP Policy:

For wages other than tips, the family must provide originals of the two most current, consecutive pay stubs.

7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME

HACP Policy:

Business owners and self-employed persons will be required to provide:

An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted & the business owner or self-employed person must certify to its accuracy.
All schedules completed for filing federal and local taxes in the preceding year.
If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

The HACP will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.

At any reexamination the HACP may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three (3) months, the HACP will accept the family member's certified estimate of income and schedule an interim reexamination in three (3) months. If the family member has been self-employed for three (3) to twelve (12) months, the HACP will require the family to provide documentation of income and expenses for this period and use that information to project income.

7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS

For policies governing streamlined income determinations for fixed sources of income, please see Chapter 11.

Social Security (SS)/Supplemental Security Income (SSI) Benefits

HACP Policy:

To verify the SS/SSI benefits of applicants, the HACP will request a current (dated within the last 60 days) SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s), the HACP will help the applicant request a benefit verification letter from SSA's Web site at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the applicant has received the benefit-verification letter, he/she will be required to provide it to the HACP.

To verify the SS/SSI benefits of participants, the HACP will obtain information about SS/SSI benefits through the H□D EIV System, and confirm with the participant(s) that the current listed benefit amount is correct. If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in H□D systems, the HACP will request a current SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s) the HACP will help the participant request a benefit verification letter from SSA's Web site at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the participant has received the benefit-verification letter, he/she will be required to provide it to the HACP.

7-III□D□ALIMON□ OR CHILD SUPPORT

HACP Policy:

The methods the HACP will use to verify alimony and child support payments differ depending on whether the family declares that it receives regular payments.

If the family declares that it ***receives regular payments***, verification will be obtained in the following order of priority□

- Copies of the receipts and/or payment stubs for the 60 days prior to HACP request
- Third-party verification form from the state or local child support enforcement agency
- Third-party verification form from the person paying the support
- Family's self-certification of amount received

If the family declares that it ***receives irregular or no payments***, in addition to the verification process listed above, the family must provide evidence that it has taken all reasonable efforts to collect amounts due. This may include□

A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts
If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts

Note: Families are not required to undertake independent enforcement action.

7-III.E. ASSETS AND INCOME FROM ASSETS

Assets Disposed of for Less than Fair Market Value

The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years. The PHA needs to verify only those certifications that warrant documentation (HCV GB, p. 5-28).

HACP Policy:

The HACP will verify the value of assets disposed only if:

The HACP does not already have a reasonable estimation of its value from previously collected information, or
The amount reported by the family in the certification appears to be in error.

Example 1: An elderly participant reported a $10,000 certificate of deposit at the last annual reexamination and the HACP verified this amount. Now the person reports that she has given this $10,000 to her son. The HACP has a reasonable estimate of the value of the asset; therefore, reverification of the value of the asset is not necessary.
Example 2: A family member has disposed of its 1/4 share of real property located in a desirable area and has valued the share at approximately $5,000. Based upon market conditions, this declaration does not seem realistic. Therefore, the HACP will verify the value of this asset.

7-III.F. NET INCOME FROM RENTAL PROPERTY

HACP Policy:

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, the HACP will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including the following tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

7-III G RETIREMENT ACCOUNTS

HACP Policy:

The HACP will accept written third-party documents supplied by the family as evidence of the status of retirement accounts.

The type of original document that will be accepted depends upon the family member's retirement status.

Before retirement, the HACP will accept an original document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.

pon retirement, the HACP will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.

After retirement, the HACP will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

7-III H INCOME FROM E CLUDED SOURCES

A detailed discussion of excluded income is provided in Chapter 6, Part I.

H D guidance on verification of excluded income draws a distinction between income which is fully excluded and income which is only partially excluded.

For fully excluded income, the PHA is **not** required to follow the verification hierarchy, document why third-party verification is not available, or report the income on the 50058. Fully excluded income is defined as income that is entirely excluded from the annual income determination (for example, food stamps, earned income of a minor, or foster care funds) Notice PIH 2013-04 .

PHAs may accept a family's signed application or reexamination form as self-certification of fully excluded income. They do not have to require additional

documentation. However, if there is any doubt that a source of income qualifies for full exclusion, PHAs have the option of requiring additional verification.
For partially excluded income, the PHA **is** required to follow the verification hierarchy and all applicable regulations, and to report the income on the 50058. Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income of an adult full-time student, or income excluded under the earned income disallowance).

HACP Policy:
The HACP will accept the family's self-certification as verification of fully excluded income. The HACP may request additional documentation if needed to document the income source.

The HACP will verify the source and amount of partially excluded income as described in Part 1 of this chapter.

7-III.I. ZERO ANNUAL INCOME STATUS

HACP Policy:
The HACP will check IV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SS, SSI, and earnings are not being received by families claiming to have zero annual income.

7-III.J. STUDENT FINANCIAL ASSISTANCE
Any financial assistance, in excess of amounts received for tuition, that a person attending an institution of higher education receives under the Higher Education Act of 1965, from private sources, or from an institution of higher education must be considered income unless the student is over the age of 23 with dependent children or is residing with parents who are seeking or receiving HCV assistance (24 CFR 5.609(b)(9) and FR 4/10/06).

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).

HACP 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 HACP 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 HACP will request written verification of the student's tuition amount.

If the HACP is unable to obtain third-party written verification of the requested information, the HACP 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, FR Notice 4/10/06, p. 18146, and FR Notice 9/21/16).

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.

HACP Policy:

If the HACP is required to determine the income eligibility of a student's parents, the HACP will request an income declaration and certification of income from the appropriate parent(s) (as determined in section 3-II.E). The HACP will send the request directly to the parents, who will be required to certify their income under penalty of perjury. The parents will be required to submit the information directly to the HACP. The required information must be submitted (postmarked) within 10 business days of the date of the HACP's request or within any extended timeframe approved by the HACP.

The HACP reserves the right to request and review supporting documentation at any time if it questions the declaration or certification. Supporting documentation may include, but is not limited to, Internal Revenue Service (IRS) tax returns, consecutive and original pay stubs, bank statements, pension benefit statements, benefit award letters, and

other official and authentic documents from a federal, state, or local agency.

PART IV: VERIFYING MANDATORY DEDUCTIONS

7-IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS

The dependent and elderly/disabled family deductions require only that the PHA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

Dependent Deduction

See Chapter 6 (6-II.B.) for a full discussion of this deduction. The PHA must verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse, or cohead of the family and is not a foster child
- Any person aged 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full-time student

Elderly/Disabled Family Deduction

See Eligibility chapter for a definition of elderly and disabled families and Chapter 6 (6-II.C.) for a discussion of the deduction. The PHA must verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

7-IV.B. MEDICAL EXPENSE DEDUCTION

Policies related to medical expenses are found in 6-II.D. The amount of the deduction will be verified following the standard verification procedures described in Part I.

Amount of Expense

HACP Policy:

Medical expenses will be verified through:

- Written third-party documents provided by the family, such as pharmacy printouts or receipts.
- The HACP will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The HACP will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.
- Written third-party verification forms, if the family is unable to provide acceptable documentation.

- If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months.

In addition, the HACP must verify that

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

Eligible Household
The medical expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62, or a person with disabilities. The PHA must verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter and as described in Chapter 7 (7-IV.A.) of this plan.

Qualified Expenses
To be eligible for the medical-expenses deduction, the costs must qualify as medical expenses. See Chapter 6 (6-II.D.) for the PHA's policy on what counts as a medical expense.

Unreimbursed Expenses
To be eligible for the medical-expenses deduction, the costs must not be reimbursed by another source.

HACP Policy:
The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source. If expenses are verified through a third party, the third party must certify that the expenses are not paid or reimbursed from any other source.

Expenses Incurred in Past ears

HACP Policy:
When anticipated costs are related to on-going payment of medical bills incurred in past years, the HACP will verify

- The anticipated repayment schedule,
- The amounts paid in the past, and
- Whether the amounts to be repaid have been deducted from the family's annual income in past years

7-IV.C. DISABILITY ASSISTANCE EXPENSES

Policies related to disability assistance expenses are found in 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

Amount of Expense

Attendant Care

HACP Policy:

The HACP will accept written third-party documents provided by the family.

If family-provided documents are not available, the HACP will provide a third-party verification form directly to the care provider requesting the needed information.

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

Auxiliary Apparatus

HACP Policy:

Expenses for auxiliary apparatus will be verified through:

Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

In addition, the HACP must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in 7-II.F above).
- The expense permits a family member, or members, to work (as described in 6-II.E.).
- The expense is not reimbursed from another source (as described in 6-II.E.).

Family Member is a Person with Disabilities

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. The PHA will verify that the expense is incurred for a person with disabilities (See 7-II.F.).

Family Member(s) Permitted to Wor

The PHA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

HACP Policy:

The HACP will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work (See 6-II.E.). This documentation may be provided by the family.

If third-party verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance) to work.

Unreimbursed Expenses

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

HACP Policy:

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

7-IV D CHILDCARE E PENSES

Policies related to childcare expenses are found in Chapter 6 (6-II.F). The amount of the deduction will be verified following the standard verification procedures described in Part I of this chapter. In addition, the PHA must verify that

- The child is eligible for care (12 or younger).
- The costs claimed are not reimbursed.
- The costs enable a family member to work, actively seek work, or further their education.
- The costs are for an allowable type of child-care.

- The costs are reasonable.

Eligible Child
To be eligible for the child-care deduction, the costs must be incurred for the care of a child under the age of 13. The PHA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

Unreimbursed Expense
To be eligible for the child-care deduction, the costs must not be reimbursed by another source.

HACP Policy:
The family (and the care provider) will be required to certify that the child-care expenses are not paid or reimbursed to the family from any source.

Pursuing an Eligible Activity
The PHA must verify that the family member(s) the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

HACP Policy:
Information to be Gathered
The HACP will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work
Whenever possible, the HACP will use documentation from a state or local agency that monitors work-related requirements (e.g. welfare or unemployment). In such cases, the HACP will request family-provided verification from the agency of the member's job seeking efforts to date and require the family to submit to the HACP any reports provided to the other agency.

In the event third-party verification is not available, the HACP will provide the family with a form on which the family member must record job search efforts. The HACP will review this information at each subsequent reexamination for which this deduction is claimed.
Furthering Education

The HACP will request third-party documentation to verify that the person

permitted to further his or her education by the child-care is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.
Gainful Employment

The HACP will seek third-party verification of the work schedule of the person who is permitted to work by the child-care. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. The documentation may be provided by the family.

Allowable Type of Childcare
The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

HACP Policy:
The HACP will verify that the type of childcare selected by the family is allowable, as described in Chapter 6 (6-II.F).

The HACP will verify that the fees paid to the childcare provider cover only childcare costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

The HACP will verify that the child-care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

Reasonableness of Expenses
Only reasonable child-care costs can be deducted.

HACP Policy:
The actual costs the family incurs will be compared with the HACP's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, the HACP will request additional documentation, as required, to support a determination that the higher cost is appropriate.

E□HIBIT 7-1: SUMMAR□ OF DOCUMENTATION REQUIREMENTS FOR NONCITI□ENS □HCV GB, pp□5-9 and 5-10□

- **All** noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA.
- Except for persons 62 or older, all noncitizens must sign a verification consent form
- Additional documents are required based upon the person's status.

Elderly Noncitizens

- A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits.

All other Noncitizens

- Noncitizens that claim eligible immigration status also must present the applicable □SCIS document. Acceptable □SCIS documents are listed below.

- Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
- Form I-94 Arrival-Departure Record annotated with one of the following□
  - "Admitted as a Refugee Pursuant to Section 207"
  - "Section 208" or "Asylum"
  - "Section 243(h)" or "Deportation stayed by Attorney General"
  - "Paroled Pursuant to Section 221 (d)(5) of the USCIS"

- Form I-94 Arrival-Departure Record with no annotation accompanied by□
  - A final court decision granting asylum (but only if no appeal is taken);
  - A letter from a □SCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a □SCIS district director granting asylum (application filed before 10/1/90);
  - A court decision granting withholding of deportation; or
  - A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).

• Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”.	Form I-688B Employment Authorization Card annotated “Provision of Law 274a. 12(11)” or “Provision of Law 274a.12”.
• A receipt issued by the SCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant’s entitlement to the document has been verified; or • Other acceptable evidence. If other documents are determined by the SCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the *Federal Register*	

Chapter 8

HOUSING QUALIT STANDARDS AND RENT REASONABLENESS DETERMINATIONS

24 CFR 982 Subpart I and 24 CFR 982.507

INTRODUCTION

H D requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet H D's Housing uality Standards (H S) and permits the PHA to establish additional requirements. The use of the term "H S" in this plan refers to the combination of both H D and PHA-established requirements.

All units must pass an H S 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 H S. H D 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 H D 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 the PHA will make and the steps that will be taken when units do not meet H S.

Part III. Rent Reasonableness Determinations. This part discusses the policies the PHA will use to make rent reasonableness determinations.

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

PART I: PH□SICAL STANDARDS

8-I□A□GENERAL HUD REQUIREMENTS

HUD Performance and Acceptability Standards

H□D's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas□

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air □uality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors

A summary of H□D performance criteria is provided in Exhibit 8-1. Additional guidance on these requirements is found in the following H□D resources□

- Housing Choice Voucher Guidebook, Chapter 10.
- H□D Housing Inspection Manual for Section 8 Housing
- H□D Inspection Form, form H□D-52580 (3/01) and Inspection Checklist, form H□D-52580-A (9/00)
- H□D Notice 2003-31, Accessibility Notice□Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

Tenant Preference Items

H□D requires the PHA to enforce minimum H□S but also recognizes that certain judgments about the acceptability of the unit are left to the family. For example, the PHA must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic appearance of the facilities is acceptable. Exhibit 8-2 summarizes those items that are considered tenant preferences.

Modifications to Provide Accessibility

□nder the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary, to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest-bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained. □24 CFR 100.203; Notice 2003-31□.

Modifications to units to provide access for a person with a disability must meet all applicable H□S requirements and conform to the design, construction, or alteration of facilities contained in the □FAS and the American Disabilities Act Accessibility Guidelines (ADAAG) □28 CFR 35.151(c) and Notice 2003-31□See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.

HACP Policy:

Any owner that intends to negotiate a restoration agreement or require an escrow account must submit the agreement(s) to the HACP for review.

8-I□B□ADDITIONAL LOCAL REQUIREMENTS

The PHA may impose variations to the H□S as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choices for families. H□D approval is required for variations to the H□S. H□D approval is not required if the variations are clarifications of H□D's acceptability criteria or performance standards □24 CFR 982.401(a)(4)□.

HACP Policy:

Detectors

Carbon Monoxide (CO2) detectors must be installed in accordance with California law (SB-183 - Carbon Monoxide Poisoning Prevention Act).
A. Carbon Monoxide devices must be installed in the following locations□
1. Outside each separate sleeping area in the immediate vicinity of the bedroom(s) in the dwelling unit,

2. On every level including the basement within which fuel-fired appliances are installed,
3. In dwelling units (single-family dwelling, duplex, condominium, or dwelling unit in a multiple-unit dwelling unit building) that have attached garages.
B. The Carbon Monoxide Detector must be operational at the time the tenant takes possession of the unit.

Smoke Detectors must be installed in accordance with the requirements of California Residential Building Code (R314).
A. Smoke alarms are to be installed in the following locations□
1. In each sleeping room.
2. Outside each separate sleeping area in the immediate vicinity of the bedrooms. One alarm in the hallway outside each cluster of bedrooms is acceptable.
3. On each additional story of the dwelling, including basements and habitable attics but not including crawl spaces and uninhabitable attics. In dwellings or dwelling units with split levels and without an intervening door between the adjacent levels, a smoke alarm installed on the upper level shall suffice for the adjacent lower level provided that the lower level is less than one full story below the upper level.

B. Effective □uly 1, 2015, all battery-operated smoke alarms M□ST contain a non- removable battery that is rated to last 10 years. Owners should indicate the install date on the smoke alarm unit. If no date has been entered on the smoke alarm unit, then the date of manufacture indicated on the smoke alarm unit shall be used to determine if the unit is compliant.

Landlords cannot make the tenant responsible for testing or maintaining the smoke alarm. It is the tenant's responsibility to notify the owner if a smoke alarm or Carbon Monoxide Detector is deficient or inoperable.

Garages and Storage Areas
Either attached or detached, the garage must be a part of the rental agreement. Owners are not permitted to store their belongings or rent the space **unless the garage has been properly converted into a separate dwelling unit as defined in the lease or rental agreement**. Existing HAP contracts wherein owners were allowed to store their items in detached garages or other storage structures will be grandfathered into compliance. New contracts effective after □anuary 1, 2014 will be governed by this policy.

Additional Plumbing Requirements
Water Heaters must meet the following State requirements□

California Health and Safety Code, Section 19211(a)□Water heaters shall be braced, anchored, or strapped to resist falling or horizontal displacement due to earthquake motion. At a minimum, any water heater shall be secured in accordance with California Plumbing Code pursuant to 17958.5.

□niform Plumbing Code (□PC) 510.5□Water heater must be strapped with two seismic straps□one located within the top third of the water heater and one at the bottom third. The strap must be located at least 4" away from the water heater controls.

Utilities

In units where the tenant must pay for utilities, each unit must have separate metering device(s) for measuring utility consumption and direct billing by the utility service provider. The owner must be responsible for paying the utilities for units with centralized shared utility meters for their units. The owner is not permitted to request or require the tenant to reimburse them for utility use in units with centralized utility meters.

Apartment communities that have centralized utility meters and have a Consumption Calculation Plan or Third Party Billing Contract must provide the HACCC a copy of the plan at the time of the initial process or when a request for change is submitted following the initial term or the lease.

Thermal Environment □HCV GB p□10-7□

The PHA must define a “healthy living environment” for the local climate. This may be done by establishing a temperature that the heating system must be capable of maintaining, that is appropriate for the local climate.

HACP Policy:

The heating system must be capable of maintaining an interior temperature of 65 degrees Fahrenheit between October 1 and May 1.

Clarifications of HUD Requirements

HACP Policy:

As permitted by H□D, the HACP has adopted the following specific requirements that elaborate on H□D standards.

Walls

In areas where plaster or drywall is sagging, severely cracked, or otherwise damaged, it must be repaired or replaced.

Appliances

The oven heating elements and controls must work and all burners on the stove range must also work. All stove or range knobs must be present with readable temperature markings.

The family may choose to accept a microwave oven in place of a conventional oven, stove or range if the oven/stove/range are tenant supplied or if microwaves are furnished in both subsidized and unsubsidized units in the building or premises.

The family may choose to supply their own refrigerator but it must be in proper working order per H□S 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 windows 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 H□S 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. 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.

Floors

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be re-secured and made level. If they cannot be leveled, they must be replaced.

All floors must be in a finished state. Raw wood or unsealed concrete is not permitted.

All floors should have some type of base shoe, trim, or sealing for a "finished look." Vinyl base shoe is permitted.

Sin□s

All sinks and commode water lines must have shut off valves,

unless faucets are wall mounted.

All sinks must have functioning stoppers.

Toilets

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 the PHA 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 24 hours of PHA notification.

HACP 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 fuel oil 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 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.
- 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.
- Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit between October 1 and May 31st.
- □tilities 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.
- Absence of a functioning toilet in the unit
- Inoperable or missing smoke detectors
- Missing or inoperable carbon monoxide detector
- 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
- 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
- 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
- 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.

If an owner fails to correct life-threatening conditions as required by the HACP, the HACP will enforce the H□S in accordance with H□D requirements. See 8-II-G.

8-10

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

The owner will be required to repair an inoperable smoke detector unless the HACP determines that the family has intentionally disconnected it (by removing batteries or other means). In this case, the family will be required to repair the smoke detector within 24 hours.

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 ELEVATED 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 elevated blood lead level, the PHA must complete an environmental investigation of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The environmental investigation must be completed in accordance with program requirements, and the result of the environmental investigation 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 environmental investigation report from the

PHA, 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 the PHA 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 elevated blood lead level are discussed in Chapter 16.

8-I.F. VIOLATION OF HQS SPACE STANDARDS (24 CFR 982.401, 24 CFR 982.403)

A dwelling unit must:

- Provide adequate space and security for the family.
- Have at least one bedroom or living/sleeping room for each two persons.

A unit that does not meet these HQS space standards is defined as *overcrowded*.

A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space (HCV GB p. 10-6). A bedroom or living/sleeping room must have at least:

- One window
- Two electrical outlets in proper operating condition (permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets)

If the PHA determines that a unit is overcrowded because of an increase in family size or a change in family composition, the PHA 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, the PHA must terminate the HAP contract in accordance with its terms.

PART II: THE INSPECTION PROCESS

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

Types of Inspections

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

- ***Initial Inspections***. The PHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program.
- ***Annual/Biennial Inspections***. HUD requires the PHA to inspect each unit under lease at least annually or biennially, depending on the PHA's Policy: 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 annual 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)]

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

Inspection Costs [Notice PIH 2016-05]

The PHA may not charge the family for unit inspections or re-inspections [24 CFR 982.405(e)]. In the case of inspections of PHA-owned units, the PHA may compensate the independent agency from ongoing administrative fee for inspections performed. The PHA 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□

1) when the owner notifies the PHA that a repair has been made but the deficiency has not been corrected, and

2) 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.

HACP Policy:

The HACP will not charge a fee for failed re-inspections.

Notice and Scheduling

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

HACP 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, the PHA will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

H□D permits the PHA to set policy regarding family and owner presence at the time of inspection □HCV GB p. 10-27□.

HACP Policy:

When a family occupies the unit at the time of inspection an adult family member 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, the HACP 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.

HACP Policy:

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

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

Timing of Initial Inspections

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)).

HACP Policy:

The HACP will 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).

Inspection Results and Reinspections

HACP Policy:

If any HQS violations are identified, the owner will be notified of the deficiencies and be given a time frame to correct them. If requested by the owner, the time frame for correcting the deficiencies may be extended by the HACP for good cause. The HACP will reinspect the unit within 5 business days of the date the owner notifies the HACP that the required corrections have been made.

If the time period for correcting the deficiencies (or any HACP -approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, the HACP will notify the owner and the family that the unit has been rejected and that the family must search for another unit.

The HACP may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following a failed reinspection, the family may submit a new RTA after the owner has made repairs, if they are unable to locate another suitable unit.

Utilities

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

HACP Policy:

If utility service is not available for testing at the time of the initial inspection, the HACP will allow the utilities to be placed in service after the unit has met all other H S requirements. The HACP will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by the HACP.

Appliances Form HUD-52580

HACP Policy:

If the family is responsible for supplying the stove and/or refrigerator, the HACP will allow the stove and refrigerator to be placed in the unit after the unit has met all other H S requirements. The required appliances must be in place before the HAP contract is executed by the HACP. The HACP will execute the HAP contract based upon a certification from the family that the appliances have been installed and are working. A confirmatory inspection will be scheduled within 30 days of HAP contract approval.

8-II C ANNUAL/BIENNIAL HQS INSPECTIONS 24 CFR 982 405 and 982 406 Notice PIH 2016-05

HACP Policy:

Each unit under HAP contract must be inspected within **24 months** of the last full H S inspection.

The HACP will not rely on alternative inspection standards.

Scheduling the Inspection

Each unit under HAP contract must be inspected within 24 months of the last full H S inspection after uly 1, 2013. If no inspection is conducted by uly 1, 2013, an inspection must be completed within 12 months from the last full H S inspection. Thereafter, the unit must be inspected no later than 24 months from the last inspection date.

HACP Policy:

If an adult family member cannot be present on the scheduled date, the

family should request that the HACP reschedule the inspection. The HACP and family will agree on a new inspection date that generally should take place within 5 business days of the originally scheduled date. The HACP may schedule an inspection more than 5 business days after the original date for good cause.

If the family misses the first scheduled appointment without requesting a new inspection date, the HACP will automatically schedule a second inspection. If the family misses two scheduled inspections without approval, the HACP will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

8-II.D. SPECIAL INSPECTIONS (24 CFR 982.405(g))

If a participant or government official reports a life-threatening condition which the owner would be required to repair within 24 hours, the PHA must inspect the unit within 24 hours of notification. If the reported condition is not life-threatening, the PHA must inspect the unit within 15 days of notification.

HACP Policy:

During a special inspection, the HACP generally will inspect only those deficiencies that were reported writing to the owner and given the owner a reasonable period of time to respond. The HACP Staff may request a copy of the written notice to ensure the landlord has been notified and been given the opportunity to make repairs. The HACP reserves the right to waive this requirement when necessary. HACP will complete a special inspection for any reported life-threatening conditions. During the inspection, the inspector will inspect the reported items, however, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs. Pictures may be taken during the inspection.

If the annual inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled the HACP may elect to conduct a full annual inspection.

8-II.E. QUALITY CONTROL INSPECTIONS (24 CFR 982.405(b); HCV GB, p. 10-32)

HUD requires a PHA supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample will include (1) each type of inspection

(initial, annual, and special), (2) inspections completed by each inspector, and (3) units from a cross-section of neighborhoods.

8-II.F. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the PHA will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

HACP Policy:

When life-threatening conditions are identified, the HACP will immediately notify both parties by telephone, facsimile, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the HACP's notice.

When failures that are not life-threatening are identified, the HACP will send the owner and the family a written notification of the inspection results within 5 business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally, not more than 30 days will be allowed for the correction.

The notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life-threatening conditions are not corrected within the specified time frame (or any HACP approved extension), the owner's HAP will be abated in accordance with HACP Policy (see 8-II.G.). Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any HACP approved extension, if applicable) the family's assistance will be terminated in accordance with HACP Policy (see Chapter 12).

Extensions

For conditions that are life-threatening, the HACP cannot grant an extension to the 24-hour corrective action period. For conditions that are not life-threatening, the HACP may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate [24 CFR 982.404].

HACP Policy:

Extensions will be granted in cases where the HACP has determined that the owner has made a good faith effort to correct the deficiencies but has been unable to complete the work within the time frame for reasons

beyond the owner's control. Reasons may include, but are not limited to:

- A repair cannot be completed because required parts or services are not available.
- A repair cannot be completed because of weather conditions.
- A reasonable accommodation is needed because the family includes a person with disabilities.

The HACP will not grant oral extensions. Requests for extensions must be made in writing, however emails, faxes and letters will be accepted. Must be received no less than 2 calendar days before the scheduled inspection. The length of the extension will be determined on a case by case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

Re-inspections

HACP Policy:

The HACP will conduct a reinspection immediately following the end of the corrective period, or any HACP approved extension.

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the HACP will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with HACP policies. If the HACP is unable to gain entry to the unit in order to conduct the scheduled reinspection, the HACP will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

8-II.G. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

If an owner fails to correct HQS deficiencies by the time specified by the PHA, HUD requires the PHA to abate housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) (24 CFR 985.3(f)). No retroactive payments will be made to the owner for the period of time the rent was abated. Owner rents are not abated as a result of HQS failures that are the family's responsibility.

HACP Policy:

The HACP will make all HAP abatements effective the first of the month following the expiration of the HACP specified correction period (including any extension).

The HACP will inspect abated units within 5 business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

HAP Contract Termination

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. The PHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time (HCV GB p. 10-29) and must give the owner reasonable notice of the termination. The PHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

HACP Policy:

The maximum length of time that HAP may be abated is 90 days. However, if the owner completes corrections and notifies the HACP before the termination date of the HAP contract, the HACP may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by the HACP is 30 days.

8-II.H. ENFORCING FAMILY COMPLIANCE WITH HQS (24 CFR 982.404(b))

Families are responsible for correcting any HQS violations listed in paragraph 8.I.D. If the family fails to correct a violation within the period allowed by the PHA

(and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 12.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

PART III: RENT REASONABLENESS [24 CFR 982.507]

8-III.A. OVERVIEW

Except in the case of certain low-income housing tax credits (LIHTC-) and HOME-assisted units, no HAP contract can be approved until the PHA 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, the HACP 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 that is owned by the HACP that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the PHA. The independent agency must be approved by HUD and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

Owner-Initiated Rent Determinations

The PHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. The PHA (or independent agency in the case of PHA-owned units) will assist the family with the negotiations upon request. At initial occupancy the PHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for

rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent H□S inspection have been corrected.

HACP Policy:

Initial Rents

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the HACP may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the HACP will consider unit size and length of tenancy in the other units.

The HACP will determine whether the requested increase is reasonable within 5 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

Rent Increases

The HACP will determine whether the requested increase is reasonable within 30 calendar days of receiving the request from the owner. The owner will be notified of the determination in writing. All approved rent adjustments will be effective the first of the month following□

a) 60 calendar days after the postmark date or fax time-date confirmation of the owner's request or
b) the date the unit passed its latest annual inspection or
c) on the date specified by the owner, whichever is later.

If the request is incomplete or incorrect the owner will be notified within 15 calendar days and given an opportunity to resubmit the request. The effective date will be the first of the month following a) 60 calendar days after the postmark date or fax time-date confirmation of the owners **corrected request**, or b) the date the unit passed its latest annual inspection or c) on the date specified by the owner, whichever is later.

All rents adjustments will be effective the first of the month following 60 days after the HACP's receipt of the owner's request or on the date specified by the owner, whichever is later.

PHA- and HUD-Initiated Rent Reasonableness Determinations

H□D requires the HACP to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 10 percent decrease in the fair market rent that goes into effect at least 60 days before the contract anniversary date. H□D also may direct the PHA to make a determination at any other time. The PHA may decide that a new determination of rent

reasonableness is needed at any time.

HACP Policy:

In addition to the instances described above, the HACP will make a determination of rent reasonableness at any time after the initial occupancy period if

1) the HACP determines that the initial rent reasonableness determination was in error; or

2) the HACP determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

Low Income Housing Tax Credits (LIHTC)- and HOME-Assisted Units 24 CFR 982 507(c)

For units receiving LIHTCs or units assisted under HUD's HOME Investment Partnerships (HOME) Program, a rent comparison with unassisted units is not required if the voucher rent does not exceed the rent for other LIHTC- or HOME-assisted units in the project that are not occupied by families with tenant-based assistance.

For LIHTCs, if the rent requested by the owner does exceed the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations. In such cases, the rent shall not exceed the lesser of 1) the reasonable rent as determined from the rent comparability study; or 2) the payment standard established by the PHA for the unit size involved.

8-III C HOW COMPARABILIT IS ESTABLISHED

Factors to Consider

H D requires PHAs to take into consideration the factors listed below when determining rent comparability. The PHA may use these factors to make upward or downward adjustments to the rents of comparable units when the units are not identical to the HCV-assisted unit.

- Location and age
- nit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made
- Amenities, services, and utilities included in the rent

Units that Must Not Be Used as Comparables

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by H□D through any of the following programs□Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance.

Note: Notice PIH 2011-46, issued August 17, 2011, provides further guidance on the issue of what constitutes an assisted unit.

Rents Charged for Other Units on the Premises

The Request for Tenancy Approval (H□D-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting the PHA payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give the PHA information regarding rents charged for other units on the premises.

8-III□D □PHA RENT REASONABLENESS METHODOLOG□

How Mar□et Data Is Collected

HACP Policy:

HACP contracts with ***AffordableHousing.com*** previously known as *GoSection 8* to collect and maintain data on market rents in HACP's jurisdiction. Information sources used by AffordableHousing.com include, but are not limited to, newspapers, internet listing services, realtors, market surveys and inquiries of owners and property managers. All H□D required comparison factors are maintained in the AffordableHousing.com rent comparable database.AffordableHousing.com is updated on an ongoing basis and rent information that is more than 12 months old is no longer accessible in the database.

How Rents Are Determined

HACP Policy:

The AffordableHousing.com Rent Reasonableness Software utilizes a unit-to-unit comparison, similar to real estate appraisal, where a direct

comparison is made between the rent for the subject HCV assisted unit and the rent for unassisted comparable units. Comparable units are drawn from a database of current, real-time market data maintained by the vendor. After identifying specific units to use as comparables based on location, unit type and characteristics, *AffordableHousing.com* provides similarity and credibility scores and market rent data to determine if the rent is supported by the market data.

AffordableHousing.com also employs unit-to-market principles to assist staff in making market-based adjustments to rental values. The blended approach - identifying comparable units that are the closest possible match to the proposed HCV assisted unit and then adjusting rental values to address any remaining critical differences that impact market rent - ensures the results are grounded in accurate market-based rental values.

The *AffordableHousing.com* Database will return the three units whose similarity and credibility score most closely matches the subject unit. All comparables used to evaluate the rent must have a similarity rating of 90 □ or more and a credibility rating of 70 □ or more, when available. If three comparables that have similarity ratings of 90□ or more and credibility ratings of 70 □ or more cannot be found, then the Housing manager must approve the rent reasonableness certification.

The subject unit rent must be supported by the three comparables to be approved.

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent) reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of $500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows□$500 x 11 months = 5500/12 months = actual monthly rent of $458.

For properties where the owner has unassisted units at market rent in the same building, the unassisted unit rents will also be considered for rent reasonableness determination. The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable units in the same market area. The HACP may develop a range of prices for comparable units by bedroom size within defined market areas.

The HACP will notify the owner of the rent the PHA can approve based upon its analysis of rents for comparable units. If the comparable rent is lower than that requested by the owner, the owner may be requested to submit information about other comparable units in the market area. HACP Staff will confirm the accuracy of the information provided and

consider this additional information when making rent determinations. The owner must submit any additional information within 7 calendar days of HACP's request for information or the owner's request to submit information.

If the comparable rent is still lower, HACCC staff will ask the owner if he or she is willing to accept the comparable rent.

E□HIBIT 8-1: OVERVIEW OF HUD HOUSING QUALIT□ STANDARDS

Note□ This document provides an overview of H□S. For more detailed information see the following documents□

- 24 CFR 982.401, Housing □uality Standards (H□S)
- Housing Choice Voucher Guidebook, Chapter 10.
- H□D Housing Inspection Manual for Section 8 Housing
- H□D Inspection Form, form H□D-52580 (3/01) and Inspection Checklist, form H□D-52580-A (9/00)

Sanitary Facilities

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

Food Preparation and Refuse Disposal

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

Space and Security

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

Thermal Environment

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

Illumination and Electricity

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

Structure and Materials

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when

porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working if there is one. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

Interior Air Quality

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

Water Supply

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

Lead-Based Paint

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero-bedroom dwellings. Owners must

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed,
- provide all prospective families with "Protect Your Family from Lead in Your Home",
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities when identified by the PHA
- Notify tenants each time such an activity is performed
- Conduct all work in accordance with H D safe practices
- As part of ongoing maintenance ask each family to report deteriorated paint.

For units occupied by elevated blood lead level (lead poisoned) children under six years of age, an environmental investigation must be conducted (paid for by the PHA). If lead hazards are identified during the environmental investigation, the owner must complete hazard reduction activities.

See HCV GB p. 10-15 for a detailed description of these requirements. For additional information on lead-based paint requirements see 24 CFR 35, Subparts A, B, M, and R.

Access

se and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in

case of fire.

Site and Neighborhood

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

Sanitary Condition

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

Smo□e Detectors

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

Hazards and Heath/Safety

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

E□HIBIT 8-2: SUMMAR□ OF TENANT PREFERENCE AREAS RELATED TO HOUSING QUALIT□

Note□ This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents□

- Housing Choice Voucher Guidebook, Chapter 10.
- H□D Housing Inspection Manual for Section 8 Housing
- H□D Inspection Form, form H□D-52580 (3/01) and Inspection Checklist, form H□D-52580-A (9/00)

Provided the minimum housing quality standards have been met, H□D permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- Sanitary Facilities. The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
- Food Preparation and Refuse Disposal. The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
- Space and Security. The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
- Energy conservation items. The family may determine whether the amount of insulation, presence of absence of storm doors and windows and other energy conservation items are acceptable.
- Illumination and Electricity. The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet H□S standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.

(6) Structure and Materials. Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.

(7) Indoor Air. Families may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet the family's needs. However, if screens are present, they must be in good condition.

(8) Sanitary Conditions. The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.

(9) Neighborhood conditions. Families may determine whether neighborhood conditions such as the presence of drug activity, commercial enterprises, and convenience to shopping will affect the livability of the unit.

Families have no discretion with respect to lead-based paint standards and smoke detectors.

Chapter 9

GENERAL LEASING POLICIES

INTRODUCTION

Chapter 9 covers the lease-up process from the family's submission of a Request for Tenancy Approval (RTA) to execution of the HAP contract.

In order for the PHA to assist a family in a particular dwelling unit, or execute a Housing Assistance Payments (HAP) contract with the owner of a dwelling unit, the PHA must determine that all the following program requirements are met□

- The unit itself must qualify as an eligible unit □24 CFR 982.305(a)□
- The unit must be inspected by the PHA and meet the Housing □uality Standards (H□S) □24 CFR 982.305(a)□
- The lease offered by the owner must be approvable and must include the required Tenancy Addendum □24 CFR 982.305(a)□
- The rent to be charged by the owner for the unit must be reasonable □24 CFR 982.305(a)□
- The owner must be an eligible owner, approved by the PHA, with no conflicts of interest □24 CFR 982.306□
- For families initially leasing a unit only□Where the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family cannot exceed 40 percent of the family's monthly adjusted income □24 CFR 982.305(a)□

9-I□A□TENANT SCREENING

The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy [24 CFR 982.307(a)(1)].

The PHA may elect to screen applicants for family behavior or suitability for tenancy. See Chapter 3 for a discussion of the PHA's policies with regard to screening applicant families for program eligibility □24 CFR 982.307(a)(1)□.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner □24 CFR 982.307(a)(2)□. The PHA must also inform the owner or manager or his/her rights and obligations under the Violence against Women Act of 2013 (VAWA) □24 CFR 5.2005(a)(2)□.

The PHA must provide the owner with the family's current and prior address (as shown in the PHA records) and the name and address (if known to the PHA) of

the landlord at the family's current and prior address [24 CFR 982.307(b)(1)].

The PHA is permitted, but not required, to offer the owner other information in the PHA's possession about the tenancy history or drug trafficking of family members [24 CFR 982.307(b)(2)].

The PHA's policy on providing information to the owner must be included in the family's briefing packet [24 CFR 982.307(b)(3)].

The PHA may not disclose to the owner any confidential information provided by the family in response to a PHA request for documentation of domestic violence, dating violence, sexual assault, or stalking except at the written request or with the written consent of the individual providing the documentation [24 CFR 5.2007(b)(4)].

HACP Policy:

The HACP will not screen applicants for family behavior or suitability for tenancy.

The HACP will not provide additional screening information to the owner.

The HACP will screen only for program compliance.

9-I.B. REQUESTING TENANCY APPROVAL [Form HUD-52517]

After the family is issued a voucher, the family must locate an eligible unit, with an owner or landlord willing to participate in the voucher program. Once a family finds a suitable unit and the owner is willing to lease the unit under the program, the owner and the family must request the PHA to approve the assisted tenancy in the selected unit.

The owner and the family must submit two documents to the PHA:

- Completed RTA – Form HUD-52517
- Copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A

The RTA contains important information about the rental unit selected by the family, including the unit address, number of bedrooms, structure type, year constructed, utilities included in the rent, and the requested beginning date of the lease, necessary for the PHA to determine whether to approve the assisted tenancy in this unit.

Owners must certify to the most recent amount of rent charged for the unit and provide an explanation for any difference between the prior rent and the proposed rent.

Owners must certify that they are not the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has granted a request for reasonable accommodation for a person with disabilities who is a

member of the tenant household.

For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead-based paint disclosure statement.

Both the RTA and the proposed lease must be submitted no later than the expiration date stated on the voucher. [HCV GB p.8-15].

HACP Policy:

The RTA must be signed by both the family and the owner.

The owner may submit the RTA on behalf of the family.

Completed RTA (including the proposed dwelling lease) must be submitted as hard copies, in-person, by mail, or by fax.

The family may not submit, and the HACP will not process, more than one (1) RTA per family at a time.

When the family submits the RTA the HACP will review the RTA for completeness.

- If the RTA is incomplete (including lack of signature by family, owner, or both), or if the dwelling lease is not submitted with the RTA, the HACP will notify the family and the owner of the deficiencies.
- Missing information and/or missing documents will only be accepted as hard copies, in-person, by mail, or by fax. The HACP will not accept missing information over the phone.

When the family submits the RTA and proposed lease, the HACP will also review the terms of the RTA for consistency with the terms of the proposed lease.

- If the terms of the RTA are not consistent with the terms of the proposed lease, the HACP will notify the family and the owner of the discrepancies.
- Corrections to the terms of the RTA and/or the proposed lease will only be accepted as hard copies, in-person, by mail or by fax. The HACP will not accept corrections by phone.

Because of the time sensitive nature of the tenancy approval process, the HACP will attempt to communicate with the owner and family by phone, fax, or email. The HACP will use mail when the parties cannot be reached by phone, fax, or email.

9-I C OWNER PARTICIPATION

The PHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the PHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. There are also criteria for which the PHA must disapprove an owner. No owner has a right to participate in the HCV program 24 CFR 982.306(e)

See Chapter 13 for a full discussion of owner qualification to participate in the HCV program.

9-I D ELIGIBLE UNITS

There are a number of criteria that a dwelling unit must meet in order to be eligible for assistance under the voucher program. Generally, a voucher-holder family may choose any available rental dwelling unit on the market in the PHA's jurisdiction. This includes the dwelling unit they are currently occupying.

Ineligible Units 24 CFR 982 352(a)

The PHA may not assist a unit under the voucher program if the unit is a public housing or Indian housing unit; a unit receiving project-based assistance under section 8 of the 1937 Act (42 .S.C. 1437f); nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services; college or other school dormitories; units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions; a unit occupied by its owner or by a person with any interest in the unit.

PHA-Owned Units 24 CFR 982 352(b)

Otherwise eligible units that are owned or substantially controlled by the PHA issuing the voucher may also be leased in the voucher program. In order for a PHA-owned unit to be leased under the voucher program, the unit must not be ineligible housing and the PHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a PHA-owned unit without any pressure or steering by the PHA.

HACP Policy:

The HACP does have eligible HACP-owned units available for leasing under the voucher program.

Special Housing Types 24 CFR 982 Subpart M

H D regulations permit, but do not generally require, the PHA to permit families to use voucher assistance in a number of special housing types in accordance with the specific requirements applicable to those programs. These special

housing types include single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home space (where the family owns the manufactured home and leases only the space), cooperative housing and homeownership option. See Chapter 15 for specific information and policies on any of these housing types that the PHA has chosen to allow.

The regulations do require the PHA to permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Duplicative Assistance [24 CFR 982.352(c)]

A family may not receive the benefit of HCV tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance,
- Other Section 8 assistance (including other tenant-based assistance);
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);
- Section 101 rent supplements,
- Section 236 rental assistance payments,
- Tenant-based assistance under the HOME Program,
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration),
- Any local or state rent subsidy,
- Section 202 supportive housing for the elderly,
- Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or
- Any other duplicative federal, state, or local housing subsidy, as determined by HUD. For this purpose, 'housing subsidy' does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

Housing Quality Standards (HQS) [24 CFR 982.305 and 24 CFR 982.401]

In order to be eligible, the dwelling unit must be in decent, safe and sanitary condition. This determination is made using HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD. See Chapter

8 for a full discussion of the H□S standards, as well as the process for H□S inspection at initial lease-up.

Unit Size

In order to be eligible, the dwelling unit must be appropriate for the number of persons in the household. A family must be allowed to lease an otherwise acceptable dwelling unit with fewer bedrooms than the number of bedrooms stated on the voucher issued to the family, provided the unit meets the applicable H□S space requirements [24 CFR 982.402(d)]. The family must be allowed to lease an otherwise acceptable dwelling unit with more bedrooms than the number of bedrooms stated on the voucher issued to the family. See Chapter 5 for a full discussion of subsidy standards.

Rent Reasonableness [24 CFR 982.305 and 24 CFR 982.507]

In order to be eligible, the dwelling unit must have a reasonable rent. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See Chapter 8 for a full discussion of rent reasonableness and the rent reasonableness determination process.

Rent Burden [24 CFR 982.508]

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the family share cannot exceed 40 percent of the family's adjusted monthly income. The term "family share" refers to the amount the family pays toward rent and utilities. The gross rent for the unit minus the total housing assistance payment (HAP) for the unit equals the family share. See Chapter 6 for a discussion of calculation of gross rent, the use of payment standards, and calculation of family income, family share of rent and HAP.

9-I E LEASE AND TENANC ADDENDUM

The family and the owner must execute a written dwelling lease agreement for the assisted unit. This written lease is a contract between the tenant family and the owner; the PHA is not a party to this contract.

The tenant must have legal capacity to enter a lease under State and local law. 'Legal capacity' means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner 24 CFR 982.308(a)

Lease Form and Tenancy Addendum 24 CFR 982 308

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease. The HAP contract prescribed by H D contains the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease for the assisted tenants is in such standard form.

All provisions in the H D-required Tenancy Addendum must be added word-for-word to the owner's standard lease form. The Tenancy Addendum includes the H D requirements for the tenancy. Because it is a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner. If there is a conflict between the owner’s lease and the Tenancy Addendum, the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

HACP Policy:

The HACP does not provide a model or standard dwelling lease for owners to use in the HCV program.

Lease Information 24 CFR 982 308(d)

The assisted dwelling lease must contain all of the required information as listed below

- The names of the owner and the tenant
- The unit rented (address, apartment number, and any other information needed to identify the contract unit)
- The term of the lease (initial term and any provisions for renewal)
- The amount of the monthly rent to owner
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family

Term of Assisted Tenancy

The initial term of the assisted dwelling lease must be for at least one year 24 CFR 982.309 The initial lease term is also stated in the HAP contract.

The H□D program regulations permit the PHA to approve a shorter initial lease term if certain conditions are met.

HACP Policy:

The HACP may approve an initial lease term of less than one (1) year under current market conditions. Due to the administrative burden, ***no month to month*** leases will be accepted as the initial term for the tenancy.

During the initial term of the lease, the owner may not raise the rent □24 CFR 982.309□.

Any provisions for renewal of the dwelling lease will be stated in the dwelling lease □HCV Guidebook, pg. 8-22□. There are no H□D requirements regarding any renewal extension terms, except that they must be stated in the dwelling lease if they exist.

The PHA may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC. □24 CFR 982.309(b)□.

Security Deposit □24 CFR 982□313 (a) and (b)□

The owner may collect a security deposit from the tenant. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. However, if the PHA chooses to do so, language to this effect must be added to Part A of the HAP contract □Form H□D-52641□.

HACP Policy:

The HACP will allow the owner to collect any security deposit amount the owner determines is appropriate. Therefore, no modifications to the HAP contract will be necessary.

Separate Non-Lease Agreements between Owner and Tenant

Owners may not demand or accept any rent payment from the family in excess of the rent to the owner as approved by the PHA minus the PHA's housing assistance payments to the owner □24 CFR 982.451(b)(4)□.

The owner may not charge the tenant extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises □24 CFR 982.510(c)□.

HACP Policy:

The HACP permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease.

Any items, appliances, or other services that are customarily provided to unassisted families as part of the dwelling lease with those families or are permanently installed in the dwelling unit must be included in the dwelling lease for the assisted family. These items, appliances or services cannot be placed under a separate non-lease agreement between the owner and family. Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited.

Any items, appliances, or other services that are not customarily provided to unassisted families as part of the dwelling lease with those families, are not permanently installed in the dwelling unit and where the family has the sole option of not utilizing the item, appliance or service, may be included in a separate non-lease agreement between the owner and the family.

The family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the owner and the family. Non-payment of any charges pursuant to a separate non-lease agreement between the owner and the family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

Separate non-lease agreements that involve additional items, appliances or other services may be considered amenities offered by the owner and may be taken into consideration when determining the reasonableness of the rent for the property.

PHA Review of Lease

The PHA will review the dwelling lease for compliance with all applicable requirements.

HACP Policy:

If the dwelling lease is incomplete or incorrect, the HACP will notify the family and the owner of the deficiencies. Missing and corrected lease information will only be accepted as hard copies, in-person, by mail, or by fax. The HACP will not accept missing and corrected information over the phone.

Because the initial leasing process is time-sensitive, the HACP will attempt to communicate with the owner and family by phone, fax, or email. The HACP will use mail when the parties can't be reached by phone, fax, or email.

The PHA is permitted, but is not required, to review the lease to determine if the lease complies with state and local law and is permitted to decline to approve the tenancy if the PHA determines that the lease does not comply with state or local

law [24 CFR 982.308(c)]

HACP Policy:

The HACP may review the owner's lease for compliance with state/local law. If HACP becomes aware that an owner's lease does not comply with state and local law, then HACP will require the owner to modify the lease in order to comply with state and local law. If the owner does not submit this within 7 calendar days, then HACP will take any and all actions appropriate under its contract with the owner, including cancellation.

9-I.F. TENANCY APPROVAL [24 CFR 982.305]

After receiving the family's Request for Tenancy Approval, with proposed dwelling lease, the PHA must promptly notify the family and owner whether the assisted tenancy is approved.

Prior to approving the assisted tenancy and execution of a HAP contract, the PHA must ensure that all required actions and determinations, discussed in Part I of this chapter have been completed.

These actions include ensuring that the unit is eligible; the unit has been inspected by the PHA and meets the Housing Quality Standards (HQS); the lease offered by the owner is approvable and includes the required Tenancy Addendum; the rent to be charged by the owner for the unit must is reasonable; where the family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]; the owner is an eligible owner, not disapproved by the PHA, with no conflicts of interest [24 CFR 982.306]; the family and the owner have executed the lease, including the Tenancy Addendum, and the lead-based paint disclosure information [24 CFR 982.305(b)].

HACP Policy:

The HACP will complete its determination within **10 business days** of receiving all required information.

If the terms of the RTA/proposed lease are changed for any reason, including but not limited to negotiation with the HACP, the HACP will obtain corrected copies of the RTA and proposed lease, signed by the family and the owner.

Corrections to the RTA/proposed lease will only be accepted as hard copies, in-person, by mail, or by fax. The HACP will not accept corrections over the phone.

If the HACP determines that the tenancy cannot be approved for any reason, the owner and the family will be notified in writing and given the opportunity to address any reasons for disapproval. The HACP will instruct

the owner and family of the steps that are necessary to obtain approval of the tenancy.

Where the tenancy is not approvable because the unit is not approvable, the family must continue to search for eligible housing within the timeframe of the issued voucher.

If the tenancy is not approvable due to rent affordability or rent reasonableness, the HACP will attempt to negotiate the rent with the owner. If a new, approvable rent is negotiated, the tenancy will be approved. If the owner is not willing to negotiate an approvable rent, the family must continue to search for eligible housing within the timeframe of the issued voucher.

9-I G HAP CONTRACT E ECUTION 24 CFR 982 305

The HAP contract is a written agreement between the PHA and the owner of the dwelling unit. nder the HAP contract, the PHA agrees to make housing assistance payments to the owner on behalf of the family, and the owner agrees to comply with all program requirements as stated in the HAP contract.

The HAP contract form is prescribed by H D.

If the PHA has given approval for the family of the assisted tenancy, the owner and the PHA must execute the HAP contract.

The term of the HAP contract must be the same as the term of the lease 24 CFR 982.451(a)(2).

The PHA is permitted to execute a HAP contract even if the funding currently available does not extend for the full term of the HAP contract.

The PHA must make a best effort to ensure that the HAP contract is executed before the beginning of the lease term. Regardless, the HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

The PHA may not pay any housing assistance payment to the owner until the HAP contract has been executed. If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the PHA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

Any HAP contract executed after the 60-day period is void, and the PHA may not pay any housing assistance payment to the owner.

HACP Policy:

Owners who have not previously participated in the HCV program may be invited to attend a meeting with the HACP in which the terms of the Tenancy Addendum and the HAP contract will be explained. The HACP

may waive this requirement on a case-by-case basis, if it determines that the owner is sufficiently familiar with the requirements and responsibilities under the HCV program.

The owner and the assisted family will execute the dwelling lease and the owner must provide a copy to the PHA. The HACP will ensure that both the owner and the assisted family receive copies of the dwelling lease.

The owner and the HACP will execute the HAP contract. The HACP will not execute the HAP contract until the owner has submitted IRS form W-9. The HACP will ensure that the owner receives a copy of the executed HAP contract.

As required under VAWA 2013, once the HAP contract and lease have been executed and the family has been admitted to the program, the HACP will notify families of their rights under VAWA by providing all families with a copy of the domestic violence certification form (H□D-5382) as well as the VAWA notice of occupancy rights (form H□D-5380).

See Chapter 13 for a discussion of the HAP contract and contract provisions.

9-I□H□CHANGES IN LEASE OR RENT □24 CFR 982□308□

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, PHA approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, the execution of a new lease and HAP contract are required. These circumstances include□

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease
- The family moves to a new unit, even if the unit is in the same building or complex

In these cases, if the HCV assistance is to continue, the family must submit a new Request for Tenancy Approval (RTA) along with a new dwelling lease containing the proposed changes. A new tenancy must then be approved in accordance with this chapter.

Where the owner is changing the amount of the rent, the owner must notify the PHA at least 60 days before any such changes go into effect □24 CFR 982.308(g)(4)□ The PHA will agree to such an increase only if the amount of the

rent to owner is considered reasonable according to the rent reasonableness standards discussed in Chapter 8. If the requested rent is not found to be reasonable, the owner must either reduce the requested rent increase, or terminate the tenancy in accordance with the terms of the lease.

No rent increase is permitted during the initial term of the lease [24 CFR 982.309(a)(3)].

HACP Policy:

Where the owner is requesting a rent increase, the HACP will determine whether the requested increase is reasonable within 30 days of prior to the effective date. The owner will be notified of the determination in writing.

Rent increases will go into effect on the first of the month following the 60 Day period after the owner notifies the HACP of the rent change or on the date specified by the owner, whichever is later.

Chapter 10

MOVING WITH CONTINUED ASSISTANCE AND PORTABILIT

INTRODUCTION

Freedom of housing choice is a hallmark of the housing choice voucher (HCV) program. In general, H D regulations impose few restrictions on where families may live or move with HCV assistance. This chapter sets forth H D regulations and PHA policies governing moves within or outside the PHA's jurisdiction in two parts

Part I Moving with Continued Assistance. This part covers the general rules that apply to all moves by a family assisted under the PHA's HCV program, whether the family moves to another unit within the PHA's jurisdiction or to a unit outside the PHA's jurisdiction under portability.

Part II Portability. This part covers the special rules that apply to moves by a family under portability, whether the family moves out of or into the PHA's jurisdiction. This part also covers the special responsibilities that the PHA has under portability regulations and procedures.

PART I: MOVING WITH CONTINUED ASSISTANCE

10-I A ALLOWABLE MOVES

H D lists six regulatory conditions under which an assisted family is allowed to move to a new unit with continued assistance. Permission to move is subject to the restrictions set forth in section 10-I.B.

- The family has a right to terminate the lease on notice to the owner (for the owner's breach or otherwise) and has given a notice of termination to the owner in accordance with the lease 24 CFR 982.354(b)(3) If the family terminates the lease on notice to the owner, the family must give the PHA a copy of the notice at the same time 24 CFR 982.354(d)(1)
- The lease for the family's unit has been terminated by mutual agreement of the owner and the family 24 CFR 982.354(b)(1)(ii)

HACP Policy:

If the family and the owner mutually agree to terminate the lease for the family's unit, the family must give the HACP a copy of the termination agreement. HACP's Mutual Agreement to Terminate the Lease form must be submitted to HACP staff before the move can be approved.

- If the owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other

process allowing the owner to evict the family [24 CFR 982.354(b)(2)]. The family must give the HACP a copy of any owner eviction notice [24 CFR 982.551(g)].

- The family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and the move is needed to protect the health or safety of the family or family member [24 CFR 982.354(b)(4)]. This condition applies even when the family has moved out of its unit in violation of the lease, with or without prior notification to the PHA, if the family or family member who is the victim reasonably believed that he or she was imminently threatened by harm from further violence if he or she remained in the unit [24 CFR 982.354(b)(4), 24 CFR 982.353(b)]. The HACP must adopt an emergency transfer plan as required by regulations at 24 CFR 5.2007(e).

  HACP Policy:

  If a family requests permission to move with continued assistance or for an external transfer to another covered housing program operated by the HACP based on a claim that the move is necessary 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, the HACP will request that the resident request the emergency transfer using form H□D-5383, and the HACP will request documentation in accordance with section 16-IX.D of this plan.

  The HACP reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the family or family member will suffice. In such cases the HACP will document the waiver in the family's file.

  The HACP may choose to provide a voucher to facilitate an emergency transfer of the victim without first terminating the assistance of the perpetrator.

  Before granting an emergency transfer, the HACP will ensure the victim is eligible to receive continued assistance based on the citizenship or immigration status of the victim.

  The HACP has adopted an emergency transfer plan, which is included as Exhibit 16-3 to this plan and discuses external transfers to other covered housing programs.

- The HACP has terminated the HAP contract for the family's unit for the owner's breach [24 CFR 982.354(b)(1)(i)].
- The HACP determines that the family's current unit does not meet the HQS space standards because of an increase in family size or a change in family

composition. In such cases, the HACP must issue the family a new voucher, and the family and HACP must try to find an acceptable unit as soon as possible. If an acceptable unit is available for the family, the HACP 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 the HACP 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 the PHA to deny a family permission to move under the following conditions:

Insufficient Funding

The PHA may deny a family permission to move either within or outside the PHA's jurisdiction if the PHA does not have sufficient funding for continued assistance [24 CFR 982.354(e)(1)]. However, Notice PIH 2016-09 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.

HACP Policy:

The HACP will deny a family permission to move on grounds that the HACP does not have sufficient funding for continued assistance if (a) the move is initiated by the family, not the owner or the PHA; (b) the HACP can demonstrate that the move will, in fact, result in higher subsidy costs (c) the HACP 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 HACP is not absorbing the voucher.

If the HACP 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 the PHA's jurisdiction. The PHA, 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 the PHA's jurisdiction and outside under portability, the HACP will not deny a move due to insufficient funding if the HACP

previously approved the move and subsequently experienced a funding shortfall if the family cannot remain in their current unit. The HACP will rescind the voucher in this situation if the family will be allowed to remain in their current unit.

The HACP will create a list of families whose moves have been denied due to insufficient funding. The HACP will keep the family's request open indefinitely, and when funds become available, the families on this list will take precedence over families on the waiting list. The HACP will use the same procedures for notifying families with open requests to move when funds become available as it uses for notifying families on the waiting list (see section 4-III.D).

The HACP will inform the family of its policy regarding moves denied due to insufficient funding in a letter to the family at the time the move is denied.

Grounds for Denial or Termination of Assistance

The PHA may deny a family permission to move if it has grounds for denying or terminating the family's assistance [24 CFR 982.354(e)(2)].

HACP Policy:

If the HACP has grounds for denying or terminating a family's assistance, the HACP will act on those grounds in accordance with the regulations and policies set forth in Chapters 3 and 12, respectively. In general, it will not deny a family permission to move for this reason; however, it retains the discretion to do so under special circumstances.

Restrictions on Elective Moves [24 CFR 982.354(c)]

HUD regulations permit the PHA to prohibit any elective move by a participant family during the family's initial lease term. They also permit the PHA to prohibit more than one elective move by a participant family during any 12-month period.

However, such prohibitions, if adopted, 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 and the move is needed to protect the health or safety of the family or family member. (For the policy on documentation of abuse, see section 10-I.A.) In addition, the PHA may not establish a policy permitting moves only at reexamination [Notice PIH 2016-09].

HACP Policy:

The HACP will deny a family permission to make an elective move during

the family's initial lease term. This policy applies to moves within the PHA's jurisdiction or outside it under portability.

The HACP may also deny a family permission to make more than one elective move during any 12-month period. This policy applies to all assisted families residing in the PHA's jurisdiction.

The HACP will consider exceptions to these policies for the following reasons to protect the health or safety of a family member (e.g., lead-based paint hazards, domestic violence, witness protection programs), to accommodate a change in family circumstances (e.g., new employment, school attendance in a distant area), or to address an emergency situation over which a family has no control.

In addition, the HACP will allow exceptions to these policies for purposes of reasonable accommodation of a family member who is a person with disabilities (see Chapter 2).

10-I C MOVING PROCESS

Notification

If a family wishes to move to a new unit, the family must notify the PHA and the owner before moving out of the old unit or terminating the lease on notice to the owner 24 CFR 982.354(d)(2). If the family wishes to move to a unit outside the PHA's jurisdiction under portability, the notice to the PHA must specify the area where the family wishes to move 24 CFR 982.354(d)(2). The notices must be in writing 24 CFR 982.5.

Approval

HACP Policy:

Upon receipt of a family's notification that it wishes to move, the HACP will determine whether the move is approvable in accordance with the regulations and policies set forth in sections 10-I.A and 10-I.B. The HACP will notify the family in writing of its determination within ***10 business days*** following receipt of the family's notification.

Reexamination of Family Income and Composition

HACP Policy:

For families approved to move to a new unit within the PHA's jurisdiction, the HACP will perform a new annual reexamination in accordance with the policies set forth in Chapter 11 of this plan.

For families moving into or families approved to move out of the PHA's jurisdiction under portability, the HACP will follow the policies set forth in Part II of this chapter.

Voucher Issuance and Briefing

HACP Policy:

For families approved to move to a new unit within the PHA's jurisdiction, the HACP will issue a new voucher within ***10 business days*** of the PHA's written approval to move. No briefing is required for these families. The HACP will follow the policies set forth in Chapter 5 on voucher term, extension, and expiration. If a family does not locate a new unit within the term of the voucher and any extensions, the family may remain in its current unit with continued voucher assistance if the owner agrees and the HACP approves. Otherwise, the family will lose its assistance.

For families moving into or families approved to move out of the PHA's jurisdiction under portability, the HACP will follow the policies set forth in Part II of this chapter.

Housing Assistance Payments [24 CFR 982.311(d)]

When a family moves out of an assisted unit, the PHA may not make any housing assistance payment to the owner for any month **after** the month the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.

PART II: PORTABILITY

10-II.A. OVERVIEW

Within the limitations of the regulations and this plan, a participant family or an applicant family that has been issued a voucher has the right to use tenant-based voucher assistance to lease a unit anywhere in the United States providing that the unit is located within the jurisdiction of a PHA administering a tenant-based voucher program [24 CFR 982.353(b)]. The process by which a family obtains a voucher from one PHA and uses it to lease a unit in the jurisdiction of another

PHA is known as portability. The PHA that issues the voucher is called the **initial PHA**. The PHA that has jurisdiction in the area to which the family wants to move is called the **receiving PHA**.

The receiving PHA has the option of administering the family's voucher for the initial PHA or absorbing the family into its own program. Under the first option, the receiving PHA provides all housing services for the family and bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher. Under the second option, the receiving PHA pays for the family's assistance with its own program funds, and the initial PHA has no further relationship with the family. The initial PHA must contact the receiving PHA via email or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the initial PHA's voucher. Based on the receiving PHA's response, the initial PHA must determine whether they will approve or deny the portability request (Notice PIH 2016-09).

PHAs commonly act as both the initial and receiving PHA because families may move into or out of their jurisdiction under portability. Each role involves different responsibilities. The PHA will follow the rules and policies in section 10-II.B when it is acting as the initial PHA for a family. It will follow the rules and policies in section 10-II.C when it is acting as the receiving PHA for a family.

In administering portability, the initial PHA and the receiving PHA must comply with financial procedures required by HUD, including the use of HUD-required forms (24 CFR 982.355(e)(5)).

PHAs must also comply with billing and payment deadlines. HUD may reduce an administrative fee to an initial or receiving PHA if the PHA does not comply with HUD portability requirements (24 CFR 982.355(e)(7)).

10-II.B. INITIAL PHA ROLE

Allowable Moves under Portability

A family may move with voucher assistance only to an area where there is at least one PHA administering a voucher program (24 CFR 982.353(b)). If there is more than one PHA in the area, the initial PHA provides the family with the contact information for the receiving PHAs that serve the area, and the family selects the receiving PHA. The family must inform the initial PHA which PHA it has selected. If the family prefers not to select the receiving PHA, the initial PHA will select the receiving PHA on behalf of the family (24 CFR 982.255(b)).

Applicant families that have been issued vouchers as well as participant families may qualify to lease a unit outside the PHA's jurisdiction under portability. HUD regulations and HACP of the City of Pittsburg Policy determine whether a family qualifies.

Applicant Families

Under HUD regulations, most applicant families qualify to lease a unit outside the PHA's jurisdiction under portability. However, HUD gives the PHA discretion to deny a portability move by an applicant family for the same two reasons that it may deny any move by a participant family: insufficient funding and grounds for denial or termination of assistance. If a PHA intends to deny a family permission to move under portability due to insufficient funding, the PHA must notify HUD within 10 business days of the determination to deny the move (24 CFR 982.355(e)).

HACP Policy:

In determining whether or not to deny an applicant family permission to move under portability because the HACP lacks sufficient funding or has grounds for denying assistance to the family, the initial HACP will follow the policies established in section 10-I.B of this chapter. If the HACP does deny the move due to insufficient funding, the HACP will notify HUD in writing within ***10 business days*** of the PHA's determination to deny the move.

In addition, the PHA may establish a policy denying the right to portability to nonresident applicants during the first 12 months after they are admitted to the program (24 CFR 982.353(c)).

HACP Policy:

If neither the head of household nor the spouse/cohead of an applicant family had a domicile (legal residence) in the PHA's jurisdiction at the time that the family's initial application for assistance was submitted, the family must lease a unit within the initial PHA's jurisdiction for at least 12 months before requesting portability.

The HACP will consider exceptions to this policy for purposes of reasonable accommodation (see Chapter 2) or reasons related to domestic violence, dating violence, sexual assault, or stalking.

Participant Families

The initial PHA must not provide portable assistance for a participant if a family has moved out of its assisted unit in violation of the lease (24 CFR 982.353(b)). The Violence against Women Act of 2013 (VAWA) creates an exception to this prohibition for families who are otherwise in compliance with program obligations but have moved to protect the health or safety of a family member who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed he or she was imminently threatened by harm from

further violence if he or she remained in the unit [24 CFR 982.353(b)].

HACP Policy:

The HACP will determine whether a participant family may move out of the PHA's jurisdiction with continued assistance in accordance with the regulations and policies set forth here and in sections 10-I.A and 10-I.B of this chapter. The HACP will notify the family of its determination in accordance with the approval policy set forth in section 10-I.C of this chapter.

Determining Income Eligibility

Applicant Families

An applicant family may lease a unit in a particular area under portability only if the family is income eligible for admission to the voucher program in that area [24 CFR 982.353(d)(1)]. The family must specify the area to which the family wishes to move [24 CFR 982.355(c)(1)].

The initial PHA is responsible for determining whether the family is income eligible in the area to which the family wishes to move [24 CFR 982.353(d)(1), 24 CFR 982.355(9)]. If the applicant family is not income eligible in that area, the PHA must inform the family that it may not move there and receive voucher assistance [Notice PIH 2016-09].

Participant Families

The income eligibility of a participant family is not redetermined if the family moves to a new jurisdiction under portability [24 CFR 982.353(d)(2)].

Reexamination of Family Income and Composition

No new reexamination of family income and composition is required for an applicant family.

HACP Policy:

For a participant family approved to move out of its jurisdiction under portability, the HACP generally will conduct a reexamination of family income and composition only if the family's annual reexamination must be completed on or before the initial billing deadline specified on form H□D-52665, Family Portability Information.

The HACP will make any exceptions to this policy necessary to remain in compliance with H□D regulations.

Briefing

The regulations and policies on briefings set forth in Chapter 5 of this plan require the PHA to provide information on portability to all applicant families that qualify to lease a unit outside the PHA's jurisdiction under the portability procedures. Therefore, no special briefing is required for these families.

HACP Policy:

No formal briefing will be required for a participant family wishing to move outside the PHA's jurisdiction under portability. However, the HACP will provide the family with the same oral and written explanation of portability that it provides to applicant families selected for admission to the program (see Chapter 5).

The HACP will provide the name, address, and phone of the contact for the PHAs in the jurisdiction to which they wish to move. If there is more than one PHA with jurisdiction over the area to which the family wishes to move, the PHA will advise the family that the family selects the receiving PHA and notify the initial PHA of which receiving PHA was selected. The HACP will provide the family with contact information for all of the receiving PHAs that serve the area. The HACP will not provide any additional information about receiving PHAs in the area. The HACP will further inform the family that if the family prefers not to select the receiving PHA, the initial PHA will select the receiving PHA on behalf of the family. In this case, the HACP will not provide the family with information for all receiving PHAs in the area.

The HACP 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, the PHA will follow the regulations and procedures set forth in Chapter 5.

HACP Policy:

For participating families approved to move under portability, the HACP will issue a new voucher within ***10 business days*** of the PHA's written approval to move.

The initial term of the voucher will be 120 days.

Voucher Extensions and Expiration

HACP Policy:

The HACP will approve **no** extensions to a voucher issued to an applicant or participant family porting out of the PHA's jurisdiction except under the following circumstances

(a) the initial term of the voucher will expire before the portable family will be issued a voucher by the receiving PHA,

(b) the family decides to return to the initial PHA's jurisdiction and search for a unit there, or

(c) the family decides to search for a unit in a third PHA's jurisdiction. In such cases, the policies on voucher extensions set forth in Chapter 5, section 5-II.E, of this plan will apply, including the requirement that the family apply for an extension in writing prior to the expiration of the initial voucher term.

To receive or continue receiving assistance under the initial PHA's voucher program, a family that moves to another PHA's jurisdiction under portability must be under HAP contract in the receiving PHA's jurisdiction within 90 days following the expiration date of the initial PHA's voucher term (including any extensions). (See below under "Initial Billing Deadline" for one exception to this policy.)

Preapproval Contact with the Receiving PHA

Prior to approving a family's request to move under portability, the initial PHA must contact the receiving PHA via e-mail or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the family's voucher. Based on the receiving PHA's response, the initial PHA must determine whether it will approve or deny the move 24 CFR 982.355(c)(3).

HACP Policy:

The HACP will use e-mail, when possible, to contact the receiving PHA regarding whether the receiving PHA will administer or absorb the family's voucher.

Initial Notification to the Receiving PHA

After approving a family's request to move under portability, the initial PHA must promptly notify the receiving PHA via email or other confirmed delivery method to expect the family 24 CFR 982.355(c)(3); 24 CFR 982.355(c)(7). The initial PHA must also advise the family how to contact and request assistance from the receiving PHA 24 CFR 982.355(c)(6).

HACP Policy:

Because the portability process is time-sensitive, the HACP will notify the receiving PHA by phone, fax, or e-mail to expect the family. The initial PHA will also ask the receiving PHA to provide any information the family may need upon arrival, including the name, fax, e-mail address, and telephone number of the staff person responsible for business with incoming portable families and procedures related to appointments for voucher issuance. The HACP will pass this information along to the family. The HACP will also ask for the name, address, telephone number, fax and e-mail of the person responsible for processing the billing information.

Sending Documentation to the Receiving PHA

The initial PHA is required to send the receiving PHA the following documents

- Form H D-52665, Family Portability Information, with Part I filled out Notice PIH 2016-09
- A copy of the family's voucher [Notice PIH 2016-09
- 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 H D-50058 24 CFR 982.355(c)(7), Notice PIH 2016-09
- Copies of the income verifications backing up the form H D-50058, including a copy of the family's current EIV data [24 CFR 982.355(c)(7), Notice PIH 2016-09

HACP Policy:

In addition to these documents, the HACP 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

The HACP 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]

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 initial PHA in writing. The initial PHA 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.

HACP Policy:

If the HACP has not received an initial billing notice from the receiving PHA within the billing deadline, it will contact the receiving PHA to inform them that it will not honor a late billing submission and will return any subsequent billings that it receives on behalf of the family. The HACP will send the receiving PHA a written confirmation of its decision by mail.

The HACP 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]

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 H[D-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. The PHA 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.

HACP Policy:

The initial PHA will utilize direct deposit to ensure that the payment is received by the deadline unless the receiving PHA notifies the initial PHA that direct deposit is not acceptable to them. 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.

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 H□D-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 H□D-50058 received, unless instructed otherwise by H□D. 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)(17)□

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)□. H□D 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 H□D 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).

HACP Policy:

The HACP 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 the PHA's jurisdiction under portability, the family is responsible for promptly contacting the PHA and complying with the PHA'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)]. An informal hearing is not required when a voucher has expired without the family leasing a unit.

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 2016-09]. (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 2016-09].

HACP Policy:

The HACP may not require the family to attend a briefing. The HACP will provide the family with a briefing packet (as described in Chapter 5) and in an individual briefing, will orally inform the family about the PHA's payment and subsidy standards, procedures for requesting approval of a unit, the

unit inspection process, and the leasing process. The HACP will suggest that the family attend a full briefing at a later date.

Income Eligibility and Reexamination

The receiving PHA does not redetermine eligibility for a portable family that was already receiving assistance in the initial PHA's voucher program [24 CFR 982.355(c)(9)]. If the receiving PHA opts to conduct a new reexamination for a current participant family, the receiving PHA may not delay issuing the family a voucher or otherwise delay approval of a unit [24 CFR 982.355(c)(11)].

HACP Policy:

For any family moving into its jurisdiction under portability, the HACP will conduct a new reexamination of family income and composition. However, the HACP will not delay issuing the family a voucher for this reason. Nor will the HACP delay approving a unit for the family until the reexamination process is complete unless the family is an applicant and the HACP cannot otherwise confirm that the family is income eligible for admission to the program in the area where the unit is located.

In conducting its own reexamination, the HACP will rely upon any verifications provided by the initial PHA to the extent that they (a) accurately reflect the family's current circumstances and (b) were obtained within the last 120 days. Any new information may be verified by documents provided by the family and adjusted, if necessary, when third party verification is received.

Voucher Issuance

When a family moves into its jurisdiction under portability, the receiving PHA is required to issue the family a voucher [24 CFR 982.355(c)(13)]. The family must submit a request for tenancy approval to the receiving PHA during the term of the receiving PHA's voucher [24 CFR 982.355(c)(15)].

Timing of Voucher Issuance

HUD expects the receiving PHA to issue the voucher within two weeks after receiving the family's paperwork from the initial PHA if the information is in order, the family has contacted the receiving PHA, and the family complies with the receiving PHA's procedures [Notice PIH 2016-09].

HACP Policy:

When a family ports into its jurisdiction, the HACP will issue the family a voucher based on the paperwork provided by the initial PHA unless the family's paperwork from the initial PHA is incomplete, the family's voucher from the initial PHA has expired or the family does not comply with the PHA's procedures. The HACP 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□.

HACP 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]

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. □nless 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.

HACP Policy:

The HACP generally will not extend the term of the voucher that it issues to an incoming portable family unless the HACP plans to absorb the family into its own program, in which case it will follow the policies on voucher extension set forth in section 5-II.E.

The HACP will consider an exception to this policy as a reasonable accommodation to a person with disabilities (see Chapter 2).

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]. (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].

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.

HACP Policy:

Unless the HACP negotiates a different amount of reimbursement with the initial PHA, the HACP 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 H□D-52665) in time that the notice will be **received** no later than 90 days following the expiration date of the family's voucher issued by the initial PHA □Notice PIH 2016-09□. 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.

HACP Policy:

The HACP 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, 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) H□D requires the initial PHA to honor the late submission (e.g., because the receiving PHA is over-leased) □Notice PIH 2016-09□

Ongoing Notification Responsibilities [Notice PIH 2016-09, 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.

HACP Policy:

The HACP will send a copy of the updated H□D-50058 by regular mail no later than ***10 business days*** after the effective date of the reexamination.

Change in Billing Amount□The receiving PHA is required to notify the initial PHA, using form H□D-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 business 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.

Late Payments [Notice PIH 2016-09]

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 correspondence between the PHAs on the matter must be attached. The receiving PHA must send a copy of the memorandum to the initial PHA. If the OPH decides to grant the transfer, the billing arrangement on behalf of the family ceases with the transfer, but the initial PHA is still responsible for any outstanding payments due to the receiving PHA.

Overpayments [Notice PIH 2016-09]

In all cases where the receiving PHA has received billing payments for billing arrangements no longer in effect, the receiving PHA is responsible for returning the full amount of the overpayment (including the portion provided for administrative fees) to the initial PHA.

In the event that HUD determines billing payments have continued for at least three months because the receiving PHA failed to notify the initial PHA that the billing arrangement was terminated, the receiving PHA must take the following steps:

- Return the full amount of the overpayment, including the portion provided for administrative fees, to the initial PHA.
- Once full payment has been returned, notify the Office of Public Housing in the HUD area office with jurisdiction over the receiving PHA of the date and the amount of reimbursement to the initial PHA.

At HUD's discretion, the receiving PHA will be subject to the sanctions spelled out in Notice PIH 2016-09.

Denial or Termination of Assistance

At any time, the receiving PHA may make a determination to deny or terminate assistance to a portable family for family action or inaction (24 CFR 982.355(c)(17)).

In the case of a termination, the PHA should provide adequate notice of the effective date to the initial PHA to avoid having to return a payment. In no event should the receiving PHA fail to notify the initial PHA later than ***10 business days*** following the effective date of the termination of the billing arrangement (HUD-52665; Notice PIH 2016-09).

HACP Policy:

If the HACP elects to deny or terminate assistance for a portable family, the HACP will notify the initial PHA within ***10 business days*** after the informal review or hearing if the denial or termination is upheld. The HACP will base its denial or termination decision on the policies set forth in Chapter 3 or Chapter 12, respectively. The informal review or hearing will be held in accordance with the policies in Chapter 16. The receiving PHA will furnish the initial PHA with a copy of the review or hearing decision.

Absorbing a Portable Family

The receiving PHA may absorb an incoming portable family into its own program when the PHA executes a HAP contract on behalf of the family or at any time thereafter providing that the PHA has funding available under its annual contributions contract (ACC) (24 CFR 982.355(d)(1), Notice PIH 2016-09).

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 (Notice PIH 2016-09).

HACP Policy:

If the HACP decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, the HACP will notify the initial PHA

by the initial billing deadline specified on form H□D-52665. The effective date of the HAP contract will be the effective date of the absorption.

If the HACP decides to absorb a family after that, it will provide the initial PHA with 30 days' advance notice, but 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)□.

Chapter 11

REE□AMINATIONS

INTRODUCTION

The PHA is required to reexamine each family's income and composition at least annually, and to adjust the family's level of assistance accordingly. Interim reexaminations are also needed in certain situations. This chapter discusses both annual and interim reexaminations, and the recalculation of family share and subsidy that occurs as a result. H□D regulations and PHA policies concerning reexaminations are presented in three parts□

Part I□Annual Reexaminations. This part discusses the process for conducting annual reexaminations.

Part II□Interim Reexaminations. This part details the requirements for families to report changes in family income and composition between annual reexaminations.

Part III□Recalculating Family Share and Subsidy Amount. This part discusses the recalculation of family share and subsidy amounts based on the results of annual and interim reexaminations.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this plan, apply to both annual and interim reexaminations.

PART I: ANNUAL REE□AMINATIONS □24 CFR 982□516□

11-I□A□OVERVIEW

The PHA must conduct a reexamination of family income and composition at least annually. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated. This part discusses the schedule for annual reexaminations, the information to be collected and verified, and annual reexamination effective dates.

11-I□B STREAMLINED ANNUAL REE□AMINATIONS □24 CFR 982□516(b)□

H□D permits PHAs to streamline the income determination process for family members with fixed sources of income. While third-party verification of all income sources must be obtained during the intake process and every three years thereafter, in the intervening years the PHA may determine income from fixed sources by applying a verified cost of living adjustment (COLA) or rate of interest. The PHA may, however, obtain third-party verification of all income, regardless of

the source. Further, upon request of the family, the PHA must perform third-party verification of all income sources.

Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest. The determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.

HACP Policy:

The *HACP* will streamline the annual reexamination process by applying the verified COLA or interest rate to fixed-income sources. Fixed income sources are incomes with at least 90 □ of the income coming from the fixed income source. The *HACP* will document in the file how the determination that a source of income was fixed was made.

If a family member with a fixed source of income is added, the *HACP* will use third-party verification of all income amounts for that family member.

If verification of the COLA or rate of interest is not available, the *HACP* will obtain third-party verification of income amounts.

Third-party verification of fixed sources of income will be obtained during the intake process and at least once every three years thereafter.

Third-party verification of non-fixed income will be obtained annually when the percentage of family income received from fixed sources is less than 90□ .

11-I□C□SCHEDULING ANNUAL REE□AMINATIONS

The PHA must establish a policy to ensure that the annual reexamination for each family is completed *within* a 12-month period and may require reexaminations more frequently □HCV GB p. 12-1□.

HACP Policy:

The *HACP* will begin the annual reexamination process ***120 days*** in advance of its scheduled effective date. Generally, the *HACP* will schedule annual reexamination effective dates to coincide with the family's anniversary date.

Anniversary date is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial examination (admission).

If the family moves to a new unit, the *HACP* may perform a new annual reexamination.

The *HACP* also may schedule an annual reexamination for completion prior to the anniversary date for administrative purposes.

Notification of and Participation in the Annual Reexamination Process

The PHA is required to obtain the information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of the PHA. However, PHAs should give tenants who were not provided the opportunity the option to complete Form H□D-92006 at this time □Notice PIH 2009-36□.

HACP Policy:

Families generally are required to participate in an annual reexamination interview, which must be attended by the head of household, spouse, or cohead. If participation in an in-person interview poses a hardship because of a family member's disability, the family should contact the *HACP* to request a reasonable accommodation (see Chapter 2).

Notification of annual reexamination interviews will be sent by first-class mail and will contain the date, time, and location of the interview. In addition, it will inform the family of the information and documentation that must be brought to the interview.

If the family is unable to attend a scheduled interview, the family should contact the *HACP* in advance of the interview to schedule a new appointment. If a family does not attend the scheduled interview, the *HACP* will send a second notification with a new interview date and appointment time.

If a family fails to attend two scheduled interviews without *HACP* approval, or if the notice is returned by the post office with no forwarding address, a notice of termination (see Chapter 12) will be sent to the family's address of record, and to any alternate address provided in the family's file.

An advocate, interpreter, or other assistant may assist the family in the interview process. The family and the *HACP* must execute a certification attesting to the role and the assistance provided by any such third party.

11-I□D□CONDUCTING ANNUAL REE□AMINATIONS

As part of the annual reexamination process, families are required to provide updated information to the PHA regarding the family's income, expenses, and composition □24 CFR 982.551(b)□

HACP Policy:

Families will be asked to bring all required information (as described in the reexamination notice) to the reexamination appointment. The required information will include a *HACP*- designated reexamination form, an Authorization for the Release of Information/Privacy Act Notice, as well as supporting documents or forms related to the family's income, expenses, and family composition.

Any required documents or information that the family is unable to provide at the time of the interview must be provided within ***10 business days*** of the interview. If the family is unable to obtain the information or materials within the required time frame, the family may request an extension.

If the family does not provide the required documents or information within the required time period (plus any extensions), the family will be sent a notice of termination (See Chapter 12).

Additionally, H□D recommends that at annual reexaminations PHAs ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state □Notice PIH 2012-28□.

HACP Policy:

At the annual reexamination, the *HACP* will ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state. The *HACP* may use the Dru Sjodin National Sex Offender database to verify the information provided by the tenant or an alternative vendor (*Tenant Reports*) that provides this information.

If the PHA proposes to terminate assistance based on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the tenant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to termination. □24 CFR 5.903(f) and 5.905(d)□ (See Chapter 12.)

The information provided by the family generally must be verified in accordance with the policies in Chapter 7. □nless the family reports a change, or the PHA has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include□

- Legal identity

- Age
- Social security numbers
- A person's disability status
- Citizenship or immigration status

If adding a new family member to the unit causes overcrowding according to the housing quality standards (H□S) (see Chapter 8), the PHA 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, the PHA must terminate the HAP contract in accordance with its terms □24 CFR 982.403□.

11-I□E□DETERMINING ONGOING ELIGIBILIT□ OF CERTAIN STUDENTS □24 CFR 982□552(b)(5)□

Section 327 of Public Law 109-115 established new restrictions on the ongoing eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

If a student enrolled in 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 student's eligibility must be reexamined along with the income eligibility of the student's parents on an annual basis. In these cases, both the student and the student's parents must be income eligible for the student to continue to receive HCV assistance. If, however, a student in these circumstances is determined independent from his or her parents or is considered a *vulnerable youth* in accordance with HACP policy, the income of the student's parents will not be considered in determining the student's ongoing eligibility.

Students who reside with parents in an HCV assisted unit are not subject to this provision. It is limited to students who are receiving assistance on their own, separately from their parents.

HACP Policy:

During the annual reexamination process, the *HACP* will determine the ongoing eligibility of each student who is subject to the eligibility restrictions in 24 CFR 5.612 by reviewing the student's individual income as well as the income of the student's parents. If the student has been determined "independent" from his/her parents or is considered a *vulnerable youth* based on the policies in Sections 3-II.E and 7-II.E, the parents' income will not be reviewed.

If the student is no longer income eligible based on his/her own income or

the income of his/her parents, the student's assistance will be terminated in accordance with the policies in Section 12-I.D.

If the student continues to be income eligible based on his/her own income and the income of his/her parents (if applicable), the *HACP* will process a reexamination in accordance with the policies in this chapter.

11-I.F. EFFECTIVE DATES

The PHA must establish policies concerning the effective date of changes that result from an annual reexamination (24 CFR 982.516).

HACP Policy:

In general, an ***increase*** in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.

If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.

If a family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP contract, and no 30-day notice is required.

If the *HACP* chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the *HACP* but will always allow for the 30-day notice period.

If the family causes a delay in processing the annual reexamination, ***increases*** will be applied retroactively in the family share of the rent, to the scheduled effective date of the annual reexamination. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 16.

In general, a ***decrease*** in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date.

If a family moves to a new unit, the ***decrease*** will take effect on the effective date of the new lease and HAP contract.

If the *HACP* chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the *HACP*.

If the family causes a delay in processing the annual reexamination, **d*ecreases*** in the family share of the rent will be applied prospectively, from the first day of the month following completion of the reexamination processing.

Delays in reexamination processing are considered to be caused by the family if the family fails to provide information requested by the *HACP* by the date specified, and this delay prevents the *HACP* from completing the reexamination as scheduled.

PART II: INTERIM REE□AMINATIONS □24 CFR 982□516□

11-II□A□OVERVIEW

Family circumstances may change between annual reexaminations. H□D and PHA policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances the PHA must process interim reexaminations to reflect those changes. H□D regulations also permit the PHA to conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted □HCV GB, p. 12-10□.

In addition to specifying what information the family must report, H□D regulations permit the family to request an interim determination if other aspects of the family's income or composition changes. The PHA must complete the interim reexamination within a reasonable time after the family's request.

This part includes H□D and PHA policies describing what changes families are required to report, what changes families may choose to report, and how the PHA will process both PHA- and family-initiated interim reexaminations.

11-II□B□CHANGES IN FAMIL□ AND HOUSEHOLD COMPOSITION

The family is required to report all changes in family composition. The PHA must adopt policies prescribing when and under what conditions the family must report changes in income and family composition. However, due to family obligations under the program, the PHA has limited discretion in this area.

HACP Policy:

The *HACP* will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

New Family Members Not Requiring PHA Approval

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require PHA approval. However, the family is required to promptly notify the PHA of the addition □24 CFR 982.551(h)(2)□.

HACP Policy:
The family must inform the *HACP* of the birth, adoption, or court-awarded custody of a child within ***10 business days***.

New Family and Household Members Requiring Approval
With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request PHA approval to add a new family member [24 CFR 982.551(h)(2)] or other household member (live-in aide or foster child) [24 CFR 982.551(h)(4)].

When any new family member is added, the PHA must make appropriate adjustments in the family share of the rent and the HAP payment at the effective date of either the annual or interim reexamination [24 CFR 982.516(e)(2)].
If a change in family size causes a violation of Housing Quality Standards (HQS) space standards (see Chapter 8), the PHA 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, the PHA must terminate the family's HAP contract in accordance with its terms [24 CFR 982.403].

HACP Policy:
Families must request *HACP* approval to add a new family member, live-in aide, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 15 consecutive days or 45 cumulative days within a 12-month period and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by the *HACP* prior to the individual moving into the unit.

HACP will not increase the subsidy size (number of bedrooms) when adding additional family member(s) to an existing tenancy. This does not include adults by marriage, children by birth, adoption or legal guardianship. The family is required to sign a Waiver of Voucher Size Standards declaring that they understand that if they move from the assisted unit, the voucher size will remain the same size as it was prior to the addition of the new family member(s).

The *HACP* will not approve the addition of a new family or household member unless the individual meets the PHA's eligibility criteria (see Chapter 3) and documentation requirements (see Chapter 7, Part II).

In circumstances of ***adding previous household members***, the family ***will not*** be permitted to add additional family units to the voucher unless the adult member had been ***previously listed on the HUD 50058 in the last three years*** or is the spouse or co- head of the head of household and is eligible.

The *HACP* will not approve the addition of a foster child or foster adult if it will cause a violation of H□S space standards. If the *HACP* determines an individual meets the PHA's eligibility criteria and documentation requirements, the *HACP* will provide written approval to the family. If the approval of a new family member or live-in aide will cause overcrowding according to H□S standards, the approval letter will explain that the family will be issued a voucher and will be required to move.

If the *HACP* determines that an individual does not meet the PHA's eligibility criteria or documentation requirements, the *HACP* will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

The *HACP* will make its determination within ***10 business days*** of receiving all information required to verify the individual's eligibility.

Departure of a Family or Household Member

Families must promptly notify the PHA if any family member no longer lives in the unit □24 CFR 982.551(h)(3)□. Because household members are considered when determining the family unit (voucher) size □24 CFR 982.402□, the PHA also needs to know when any live-in aide, foster child, or foster adult ceases to reside in the unit.

HACP Policy:

If a household member ceases to reside in the unit, the family must inform the *HACP* within ***10 business days***. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.

If a live-in aide, foster child, or foster adult no longer resides in the unit, the family must inform the *HACP* within ***10 business days***.

11-II.C. CHANGES AFFECTING INCOME OR EXPENSES

Interim reexaminations can be scheduled either because the PHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. When a family reports a change, the PHA may take different actions depending on whether the family reported the change voluntarily, or because it was required to do so.

PHA-Initiated Interim Reexaminations

PHA-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by the PHA. They are not scheduled because of changes reported by the family.

HACP Policy:

The *HACP* will conduct interim reexaminations in each of the following instances:

- **EID:** For families receiving the Earned Income Disallowance (EID), the *HACP* will conduct an interim reexamination at the start and conclusion of the 24-month eligibility period.
- **Zero-Income Families:** If the family has reported zero income, the *HACP* will conduct an interim reexamination every 3 months as long as the family continues to report that they have no income.
- If a family member reports a zero income, while other family members continue to receive income, HACP will conduct an Interim reexamination to reduce the family's rent portion for the first of the month following the reported reduction in income. Once that family member begins to receive income, they must report it within 14 days and HACP will conduct a follow-up Interim reexamination to adjust the tenant rent portion to begin at least 30 days from the reported increase in income. This is to be distinguished from a reduction in income for a family member or household whereby HACP will adjust the household's rent portion for the first of the following month but will not re-adjust the rent portion when the household's income increases again until the family's Annual reexamination. The family is still required to report the increase in income as indicated in this chapter.
- If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g., seasonal or cyclic income), the *HACP* will schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income.
- If at the time of the annual reexamination, tenant

declarations were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, the *HACP* will conduct an interim reexamination.

The *HACP* may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

Family-Initiated Interim Reexaminations
The PHA must adopt policies prescribing when and under what conditions the family must report changes in family income or expenses [24 CFR 982.516(c)]. In addition, HUD regulations require that the family be permitted to obtain an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)].

Required Reporting
HUD regulations give the PHA the freedom to determine the circumstances under which families will be required to report changes affecting income.

> ***HACP Policy:***
> Families are required to report all increases in earned income, including new employment, within ***10 business days*** of the date the change takes effect.
>
> The *HACP* will also conduct interim reexaminations for families that qualify for the earned income disallowance (EID), and only when the EID family's share of rent will change as a result of the increase.
>
> In all other cases, the *HACP* will conduct an interim reexamination.
>
> All Families are required to report any other changes in income or expenses.

Optional Reporting
The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)]. The PHA must process the request if the family reports a change that will result in a reduced family income [HCV GB, p. 12-9].

If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced [24 CFR 5.615]. For more information regarding the requirement to impute welfare income see Chapter 6.

> ***HACP Policy:***
> If a family reports a change that will last for at least 30 calendar days that it was not required to report and that would result in a decrease in the family share of rent, HACCC will conduct an interim reexamination. See Section 11-II.D. for effective dates.

Families may report changes in income or expenses at any time.

11-II.D. PROCESSING THE INTERIM REEXAMINATION

Method of Reporting

HACP Policy:

The family may notify the *HACP* of changes either orally or in writing. If the family provides oral notice, the *HACP* may also require the family to submit the changes in writing.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if the *HACP* determines that an interview is warranted, the family may be required to attend.

Based on the type of change reported, the *HACP* will determine the documentation the family will be required to submit. The family must submit any required information or documents within ***10 business days*** of receiving a request from the *HACP*. This time frame may be extended for good cause with *HACP* approval. The *HACP* will accept required documentation by mail, by fax, or in person.

Effective Dates

The PHA must establish the time frames in which any changes that result from an interim reexamination will take effect (24 CFR 982.516(d)). The changes may be applied either retroactively or prospectively, depending on whether there is to be an increase or a decrease in the family share of the rent, and whether the family reported any required information within the required time frames (HCV GB, p. 12-10).

HACP Policy:

If the family share of the rent is to ***increase*:**

The increase generally will be effective on the first of the month following 30 days' notice to the family.

If a family fails to report a change within the required time frames or fails to provide all required information within the required time frames, the increase will be applied retroactively to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 16.

If the family share of the rent is to ***decrease***

The decrease will be effective on the first day of the month following the month in which the change was reported with all required documentation submitted. In cases where the change cannot be verified until after the date the change would have become effective, the change will be made retroactively.

PART III: RECALCULATING FAMIL SHARE AND SUBSID AMOUNT

11-III A OVERVIEW

After gathering and verifying required information for an annual or interim reexamination, the PHA 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 PA MENT STANDARDS AND UTILIT 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 the PHA'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 the PHA changes its payment standards or the family's situation changes, new payment standards are applied at the following times

- If the PHA'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 i*ncreased,* 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, the PHA is not required to reduce the payment standard as the HAP contract remains in effect. At the family's *second annual* reexamination, the PHA 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 family moves to a new unit, or a new HAP contract is executed due to changes in the lease (even if the family remains in place) the current payment standard applicable to the family will be used when the new HAP contract is processed.

Subsidy Standards (24 CFR 982.505(c)(4))

If there is a change in the family unit size that would apply to a family during the HAP contract term, either due to a change in family composition, or a change in the PHA's subsidy standards (see Chapter 5), the new family unit size must be used to determine the payment standard amount for the family at the family's *first annual* reexamination following the change in family unit size.

Utility Allowances (24 CFR 982.517(d))

The family share of the rent and HAP calculations must reflect any changes in the family's utility arrangement with the owner, or in the PHA's utility allowance schedule (HCV GB, p. 12-5). Chapter 16 discusses how utility allowance schedules are established.

When there are changes in the utility arrangement with the owner, the PHA must use the utility allowances in effect at the time the new lease and HAP contract are executed.

At reexamination, the PHA must use the PHA current utility allowance schedule (24 CFR 982.517(d)(2)).

> ***HACP Policy:***
> Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination after the allowance is adopted.

11-III.C. NOTIFICATION OF NEW FAMILY SHARE AND HAP AMOUNT

The PHA must notify the owner and family of any changes in the amount of the HAP payment (HUD-52641, HAP Contract). The notice must include the following information (HCV GB, p. 12-6):

- The amount and effective date of the new HAP payment
- The amount and effective date of the new family share of the rent
- The amount and effective date of the new tenant rent to owner

The family must be given an opportunity for an informal hearing regarding the PHA's determination of their annual or adjusted income, and the use of such income to compute the housing assistance payment (24 CFR 982.555(a)(1)(i)) (see Chapter 16).

HACP Policy:

The notice to the family will include the annual and adjusted income amounts that were used to calculate the family share of the rent and the housing assistance payment. The notice also will state the procedures for requesting an informal hearing.

11-III.D. DISCREPANCIES

During an annual or interim reexamination, the PHA may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, the PHA may discover errors made by the PHA. When errors resulting in the overpayment or underpayment of subsidy are discover

Chapter 12

TERMINATION OF ASSISTANCE AND TENANC

H D regulations specify mandatory and optional grounds for which a PHA can terminate a family's assistance. They also specify the circumstances under which an owner may terminate the tenancy of an assisted family. This chapter describes the policies that govern mandatory and optional terminations of assistance, and termination of tenancy by the owner. It is presented in three parts

Part I Grounds for Termination of Assistance. This part describes the various circumstances under which assistance under the program can be terminated by the family or by the PHA.

Part II Approach to Termination of Assistance. This part describes the policies and the process that the PHA will use in evaluating decisions on whether to terminate assistance due to actions or inactions of the family where termination is an option. It specifies the alternatives that the PHA may consider in lieu of termination, the criteria the PHA will use when deciding what action to take, and the steps the PHA must take when terminating a family's assistance.

Part III Termination of Tenancy by the Owner. This part describes the HUD policies that govern the owner's right to terminate an assisted tenancy.

PART I: GROUNDS FOR TERMINATION OF ASSISTANCE

12-I.A. OVERVIEW

HUD requires the PHA to terminate assistance for certain actions and inactions of the family and when the family no longer requires assistance due to increases in family income. HUD permits the PHA to terminate assistance for certain other actions or inactions of the family. In addition, a family may decide to withdraw from the program and terminate their HCV assistance at any time by notifying the PHA.

12-I.B. FAMILY NO LONGER REQUIRES ASSISTANCE [24 CFR 982.455]

As a family's income increases, the amount of the housing assistance payment decreases. If the amount of assistance provided by the PHA is reduced to zero, the family's assistance terminates automatically 180 days after the last HAP payment.

HACP 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 the *HACP* of the change and request an interim reexamination before the expiration of the ***180-day*** period.

12-I.C. FAMILY CHOOSES TO TERMINATE ASSISTANCE

The family may request that the PHA terminate housing assistance payments on behalf of the family at any time.

HACP Policy:

The request to terminate assistance should be made in writing and signed by the head of household, and spouse or cohead if applicable. Before terminating the family's assistance, the *HACP* will follow the notice requirements in Section 12-II.F.

12-I.D. MANDATORY TERMINATION OF ASSISTANCE

HUD requires the PHA to terminate assistance in the following circumstances.

Eviction [24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)]

The PHA must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. As discussed further in section 12-II.E, incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking.

HACP Policy:

A family will be considered *evicted* if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.

If a family moves after the owner has given the family an eviction notice for serious or repeated lease violations but before a legal eviction order has been issued, termination of assistance is not mandatory. In such cases the *HACP* will determine whether the family has committed serious or repeated violations of the lease based on available evidence and may terminate assistance or take any of the alternative measures described in section 12-II.C. In making its decision, the *HACP* will consider the factors described in sections 12-II.D and 12-II.E. □pon consideration of such factors, the *HACP* may, on a case-by-case basis, choose not to terminate assistance.

Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests.

Failure to Provide Consent □24 CFR 982□552(b)(3)□

The PHA must terminate assistance if any family member fails to sign and submit any consent form they are required to sign for a regular or interim reexamination. See Chapter 7 for a complete discussion of consent requirements.

Failure to Document Citizenship □24 CFR 982□552(b)(4) and □24 CFR 5□514(c)□

The PHA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but □nited States Citizenship and Immigration Services (□SCIS) primary and secondary verification does not verify eligible immigration status of the family; or (3) a family member, as determined by the PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See Chapter 7 for a complete discussion of documentation requirements.

Failure to Disclose and Document Social Security Numbers (24 CFR 5.218(c), Notice PIH 2012-10)

The PHA must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.
However, if the family is otherwise eligible for continued program assistance, and the PHA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the PHA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the PHA determined the family to be noncompliant.

HACP Policy:
The *HACP* will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

Methamphetamine Manufacture or Production (24 CFR 982.553(b)(1)(ii))
The PHA must terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

Lifetime Registered Sex Offenders (Notice PIH 2012-28)
Should a PHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, the PHA must immediately terminate assistance for the household member.

In this situation, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.

Failure of Students to Meet Ongoing Eligibility Requirements (24 CFR 982.552(b)(5) and FR 4/10/06)
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 dependent children, is not residing

with his/her parents in an HCV assisted household, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the PHA must the terminate the student's assistance if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated, but must be issued a voucher to move with continued assistance in accordance with program regulations and PHA policies or must be given the opportunity to lease in place if the terminated ineligible student members elect to move out of the assisted unit.

Death of the Sole Family Member [24 CFR 982.311(d) and Notice PIH 2010-9]

The PHA must immediately terminate program assistance for deceased single member households.

12-I.E. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS

Mandatory Policies [24 CFR 982.553(b) and 982.551(l)]

HUD requires the PHA to establish policies that permit the PHA to terminate assistance if the PHA determines that:

- Any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member has violated the family's obligation not to engage in any drug-related criminal activity
- Any household member has violated the family's obligation not to engage in violent criminal activity

Use of Illegal Drugs and Alcohol Abuse

HACP Policy:
The *HACP* will terminate a family's assistance if any household member is currently engaged in any illegal use of a drug or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

The *HACP* will terminate assistance if any household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Currently engaged in is defined as any use of illegal drugs during the previous six months.

The *HACP* will consider all credible evidence, including but not limited to, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.

A record of arrest(s) will not be used as the basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate assistance, the *HACP* will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. □pon consideration of such alternatives and factors, the *HACP* may, on a case-by-case basis, choose not to terminate assistance.

Drug-Related and Violent Criminal Activity [24 CFR 5.100]

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 □.S.C. 802).

Drug-related criminal activity is defined by H□D as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

Violent criminal *activity* means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

HACP Policy:

The *HACP* will terminate a family's assistance if any household member has violated the family's obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program.

The *HACP* will consider all credible evidence, including but not limited to, or convictions of household members related to drug-related or violent criminal activity, and any eviction or notice to evict based on drug-related or violent criminal activity.

A record of arrest(s) will not be used as the basis for the termination or proof that the participant engaged in disqualifying criminal activity.
In making its decision to terminate assistance, the *HACP* will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, the *HACP* may, on a case-by-case basis, choose not to terminate assistance.

Other Authorized Reasons for Termination of Assistance
(24 CFR 982.552(c), 24 CFR 5.2005(c))

HUD permits the PHA to terminate assistance under a number of other circumstances. It is left to the discretion of the PHA whether such circumstances in general warrant consideration for the termination of assistance. As discussed further in section 12-II.E, the Violence against Women Act of 2013 explicitly prohibits PHAs from considering incidents of, or criminal activity directly related to, domestic violence, dating violence, sexual assault, or stalking as reasons for terminating the assistance of a victim of such abuse.

Additionally, per the alternative requirements listed in the *Federal Register* notice dated December 29, 2014, PHAs are no longer permitted to terminate assistance to a family due to the family's failure to meet its obligations under the Family Self-Sufficiency (FSS) contract of participation (FR Notice 12/29/14).

HACP Policy:
The *HACP* **will** terminate a family's assistance if:

- The family has failed to comply with any family obligations under the program. See Exhibit 12-1 for a listing of family obligations and related *HACP* policies.
- Any family member has been evicted from federally-assisted housing in the last five years.
- Any *HACP* 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 currently owes rent or other amounts to any PHA in connection with Section 8 or public housing assistance under the 1937 Act.

- 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.
- The family has breached the terms of a repayment agreement entered into with the PHA.
- A family member has engaged in or threatened violent or abusive behavior toward ***HACP personnel***.

> ***Abusive or violent behavior towards HACP personnel*** **includes verbal as well as physical abuse or violence** □ □se 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 terminate assistance, the *HACP* will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. □pon consideration of such alternatives and factors, the *HACP* may, on a case-by-case basis, choose not to terminate assistance.

Family Absence from the Unit [24 CFR 982.312]

The family may be absent from the unit for brief periods. The PHA must establish a policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. Absence in this context means that no member of the family is residing in the unit.

> ***HACP Policy:***
> If the family is absent from the unit for more than 180 consecutive calendar days, the family's assistance will be terminated. Notice of termination will be sent in accordance with Section 12-II.F.

Insufficient Funding [24 CFR 982.454]

The PHA may terminate HAP contracts if the PHA determines, in accordance with H□D requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

HACP Policy:

The *HACP* will determine whether there is sufficient funding to pay for currently assisted families according to the policies in Part VIII of Chapter 16. If the *HACP* determines there is a shortage of funding, prior to terminating any HAP contracts, the *HACP* will determine if any other actions can be taken to reduce program costs.

In the event that the *HACP* decides to stop issuing vouchers as a result of a funding shortfall, and the *HACP* is not assisting the required number of special purpose vouchers (NED families, H□D-Veterans Affairs Supportive Housing (VASH) families, and family unification program (F□P) families), when the *HACP* resumes issuing vouchers, the *HACP* will issue vouchers first to the special purpose voucher families on its waiting list until it has reached the required number of special purpose vouchers, when applicable.

If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, the *HACP* will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, the *HACP* will inform the local H□D field office. The *HACP* will terminate the minimum number needed in order to reduce HAP costs to a level within the *HACP's* annual budget authority.

If the *HACP* must terminate HAP contracts due to insufficient funding, the *HACP* will do so in accordance with the following criteria and instructions□

HACP will terminate assistance beginning with families that have been on the Section 8 program the longest, with the exception that contracts for elderly and disabled families will not be cancelled unless there are no non-elderly disabled families on HACP's HCV program. Families who lose their assistance due to funding cuts will be placed back on the wait list with a preference. Families comprising the required number of special purpose vouchers, including nonelderly disabled (NED), H□D-Veteran's Affairs Supportive Housing (H□D-VASH), and family unification program (F□P) will be the last to be terminated.

PART II: APPROACH TO TERMINATION OF ASSISTANCE

12-II.A. OVERVIEW

The PHA is required by regulation to terminate a family's assistance for certain actions or inactions of the family. For other types of actions or inactions of the family, the regulations give the PHA the authority to either terminate the family's assistance or to take another action. This part discusses the various actions the PHA may choose to take when it has discretion and outlines the criteria the PHA will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notification to the family of the PHA's intent to terminate assistance.

12-II.B. METHOD OF TERMINATION [24 CFR 982.552(a)(3)]

Termination of assistance for a participant may include any or all of the following:

- Terminating housing assistance payments under a current HAP contract,
- Refusing to enter into a new HAP contract or approve a lease, or
- Refusing to process a request for or to provide assistance under portability procedures.

12-II.C. ALTERNATIVES TO TERMINATION OF ASSISTANCE

Change in Household Composition

As a condition of continued assistance, the PHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit [24 CFR 982.552(c)(2)(ii)].

HACP Policy:

As a condition of continued assistance, the head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon *HACP* request.

Repayment of Family Debts

HACP Policy:

If a family owes amounts to the *HACP*, as a condition of continued assistance, the *HACP* will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from the *HACP* of the amount owed. See Chapter 16 for policies on repayment agreements.

12-II.D. CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE

Evidence

For criminal activity, HUD permits the PHA to terminate assistance if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted (24 CFR 982.553(c)).

HACP Policy:

The *HACP* will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence

Consideration of Circumstances (24 CFR 982.552(c)(2)(i))

The PHA is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

HACP Policy:

The *HACP* will consider the following facts and circumstances when making its decision to terminate assistance.

The seriousness of the case, especially with respect to how it would affect other residents' safety or property

The effects that termination of assistance may have on other members of the family who were not involved in the action or failure to act

The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or (as discussed further in section 12-II.E) a victim of domestic violence, dating violence, sexual assault or stalking

The length of time since the violation occurred, including the age of the individual at the time of the conduct, as well as the family's recent history and the likelihood of favorable conduct in the future While a record of arrest(s) will not be used as the basis for termination, an arrest may, however, trigger an investigation to determine whether the participant actually engaged in disqualifying criminal activity. As part of its investigation, the *HACP* may obtain

the police report associated with the arrest and consider the reported circumstances of the arrest. The *HACP* may also consider

- Any statements made by witnesses or the participant not included in the police report
- Whether criminal charges were filed
- Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal
- Any other evidence relevant to determining whether or not the participant engaged in disqualifying activity

Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property

In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

The *HACP* will require the participant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family

Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]

If the family includes a person with disabilities, the PHA's decision to terminate the family's assistance is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

HACP Policy:

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, the *HACP* will determine whether the behavior is related to the disability. If so, upon the family's request, the *HACP* will determine whether alternative measures are appropriate as a reasonable accommodation. The *HACP* will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance. See Chapter 2 for a discussion of reasonable accommodation.

12-II.E. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT OR STALKING

This section describes the protections against termination of assistance that the Violence against Women Act of 2013 (VAWA) provides for victims of domestic violence, dating violence, sexual assault and stalking. For general VAWA requirements, key VAWA definitions, and PHA policies pertaining to notification, documentation, and confidentiality, see section 16-IX of this plan.

VAWA Protections against Termination

VAWA provides four specific protections against termination of HCV assistance for victims of domestic violence, dating violence, sexual assault or stalking. (*Note:* The second, third, and fourth protections also apply to terminations of tenancy or occupancy by owners participating in the HCV program, as do the limitations discussed under the next heading.)

First, VAWA provides that a PHA may not terminate assistance to a family that moves out of an assisted unit in violation of the lease, with or without prior notification to the PHA, if the move occurred 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 imminently threatened by harm from further violence if he or she remained in the unit (24 CFR 982.354(b)(4)).

Second, it provides that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may not be construed either as a serious or repeated lease violation by the victim or as good cause to terminate the assistance of the victim (24 CFR 5.2005(c)(1)).

Third, it provides that criminal activity directly related to domestic violence, dating violence, sexual assault or stalking may not be construed as cause for terminating the assistance of a tenant if a member of the tenant's household, a guest, or another person under the tenant's control is the one engaging in the criminal activity and the tenant or affiliated individual or other individual is the actual or threatened victim of the domestic violence, dating violence, or stalking (24 CFR 5.2005(c)(2)).

Fourth, it gives PHAs the authority to terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against family members or others without terminating assistance to, or otherwise penalizing, the victim of the violence (24 CFR 5.2009(a)).

Limitations on VAWA Protections (24 CFR 5.2005(d) and (e))

VAWA does not limit the authority of a PHA to terminate the assistance of a victim of abuse for reasons unrelated to domestic violence, dating violence,

sexual assault or stalking so long as the PHA does not subject the victim to a more demanding standard than it applies to other program participants (24 CFR 5.2005(d)(1)).

Likewise, VAWA does not limit the authority of a PHA to terminate the assistance of a victim of domestic violence, dating violence, sexual assault or stalking if the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the assisted property if the victim is not terminated from assistance (24 CFR 5.2005(d)(2)).

HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm (24 CFR 5.2005(d)(2) and (e)). In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk
- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur (24 CFR 5.2005(e))

In order to demonstrate an actual and imminent threat, the PHA must have objective evidence of words, gestures, actions, or other indicators. Even when a victim poses an actual and imminent threat, however, HUD regulations authorize a PHA to terminate the victim's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat" [24 CFR 5.2005(d)(3)].

HACP Policy:

In determining whether a program participant who is a victim of domestic violence, dating violence, sexual assault or stalking is an actual and imminent threat to other tenants or those employed at or providing service to a property, the *HACP* will consider the following, and any other relevant, factors:

- Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, sexual assault or stalking
- Whether the threat is a physical danger beyond a speculative threat
- Whether the threat is likely to happen within an immediate time frame
- Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location or seeking a legal remedy

to prevent the perpetrator from acting on the threat

If the participant wishes to contest the *HACP's* determination that he or she is an actual and imminent threat to other tenants or employees, the participant may do so as part of the informal hearing.

Documentation of Abuse [24 CFR 5.2007]

HACP Policy:
When an individual facing termination of assistance for reasons related to domestic violence, dating violence, sexual assault or stalking claims protection under VAWA, the *HACP* will request that the individual provide documentation supporting the claim in accordance with the policies in section 16-IX.D of this plan.

The *HACP* reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the individual will suffice. In such cases the *HACP* will document the waiver in the individual's file.

Terminating the Assistance of a Domestic Violence Perpetrator
Although VAWA provides protection against termination of assistance for victims of domestic violence, it does not provide such protection for perpetrators. VAWA gives the PHA the explicit authority to "terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others" without terminating assistance to "or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant" [24 CFR 5.2009(a)]. This authority is not dependent on a bifurcated lease or other eviction action by an owner against an individual family member. Further, this authority supersedes any local, state, or other federal law to the contrary. However, if the PHA chooses to exercise this authority, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance. This means that the PHA must follow the same rules when terminating assistance to an individual as it would when terminating the assistance of an entire family [3/16/07 *Federal Register* notice on the applicability of VAWA to HUD programs].

If the perpetrator remains in the unit, the PHA continues to pay the owner until the PHA terminates the perpetrator from the program. The PHA must not stop paying HAP until 30 days after the owner bifurcates the lease to evict the perpetrator. The PHA may pay HAP for the full month if the 30-day period will end mid-month [Notice PIH 2017-08].

If the perpetrator is the only participant eligible to receive assistance, the PHA

will provide any remaining participant a chance to establish eligibility for the program. If the remaining participant cannot do so, the PHA will provide them with 30 days to establish eligibility for another housing program prior to termination of the HAP contract.

HACP Policy:

The *HACP* will terminate assistance to a family member if the *HACP* 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, the *HACP* will consider all credible evidence, including, but not limited to, a signed certification (form H□D-5382) or other documentation of abuse submitted to the *HACP* by the victim in accordance with this section and section 16-IX.D. The *HACP* will also consider the factors in section 12-II.D. □pon such consideration, the *HACP* may, on a case-by-case basis, choose not to terminate the assistance of the culpable family member.

If the *HACP* does terminate the assistance of the culpable family member, it will do so in accordance with applicable law, H□D regulations, and the policies in this plan.

12-II□F□TERMINATION NOTICE

H□D 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.

HACP Policy:

Whenever a family's assistance will be terminated, the *HACP* will send a written notice of termination to the family and to the owner. The *HACP* will also send a form H□D-5382 and form H□D-5380 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 H□D rules, other *HACP* policies, or the circumstances surrounding the termination require.

When the *HACP* notifies an owner that a family's assistance will be terminated, the *HACP* 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 *HACP* sends to the family must meet the additional H□D 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 H□D 5382 form when a PHA terminates a household's housing benefits.

HACP Policy:

Whenever the *HACP* decides to terminate a family's assistance because of the family's action or failure to act, the *HACP* will include in its termination notice the VAWA information described in section 16-IX.C of this plan and a form H□D-5382 and form H□D-5380. The *HACP* will request in writing that a family member wishing to claim protection under VAWA notify the *HACP* within 14 business days.

Still other notice requirements apply in two situations□

- If a criminal record is the basis of a family's termination, the HACP 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 III: TERMINATION OF TENANC B THE OWNER

12-III A OVERVIEW

Termination of an assisted tenancy is a matter between the owner and the family; the PHA is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy. Termination of tenancy for certain reasons will also result in termination of assistance as discussed in this section.

12-III B GROUNDS FOR OWNER TERMINATION OF TENANC 24 CFR 982 310, 24 CFR 5 2005(c), and Form HUD-52641-A, Tenancy Addendum

During the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause.

Serious or Repeated Lease Violations

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking and the victim is protected from eviction by the Violence against Women Act of 2013 (see section 12-II.E). A serious lease violation includes failure to pay rent or other amounts due under the lease. However, the PHA's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

Violation of Federal, State, or Local Law

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

Criminal Activity or Alcohol Abuse

The owner may terminate tenancy during the term of the lease if any *covered person*—meaning any member of the household, a guest, or another person under the tenant's control—commits any of the following types of criminal activity (for applicable definitions see 24 CFR 5.100)

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises)
- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises
- Any violent criminal activity on or near the premises
- Any drug-related criminal activity on or near the premises

However, in the case of criminal activity directly related to domestic violence, dating violence, sexual assault or stalking, if the tenant or an affiliated individual is the victim, the criminal activity may not be construed as cause for terminating the victim's tenancy (see section 12-II.E). The owner may terminate tenancy during the term of the lease if any member of the household is□

- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New □ersey, is a high misdemeanor; or
- Violating a condition of probation or parole imposed under federal or state law.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction. This is the case except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, sexual assault, or stalking, and the tenant or an affiliated individual is the victim or threatened victim of the domestic violence, dating violence, sexual assault, or stalking.

Other Good Cause

During the initial lease term, the owner may not terminate the tenancy for "other good cause" unless the owner is terminating the tenancy because of something the family did or failed to do. During the initial lease term or during any extension term, other good cause includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, "other good cause" for termination of tenancy by the owner includes□

- Failure by the family to accept the offer of a new lease or revision
- The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent)

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

12-III.C. EVICTION [24 CFR 982.310(e) and (f) and Form HUD-52641-A, Tenancy Addendum]

The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action.

The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The owner may only evict the tenant from the unit by instituting a court action. The owner must give the PHA a copy of any eviction notice at the same time the owner notifies the family. The family is also required to give the PHA a copy of any eviction notice (see Chapter 5).

HACP Policy:

If the eviction action is finalized in court, the owner must provide the *HACP* with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 5 business days following the court-ordered eviction.

12-III.D. DECIDING WHETHER TO TERMINATE TENANC [24 CFR 982.310(h), 24 CFR 982.310(h)(4)]

An owner who has grounds to terminate a tenancy is not required to do so and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The nature of the offending action
- The seriousness of the offending action,
- The effect on the community of the termination, or of the owner's failure to terminate the tenancy,
- The extent of participation by the leaseholder in the offending action,
- The effect of termination of tenancy on household members not involved in the offending activity,
- The demand for assisted housing by families who will adhere to lease responsibilities,
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action,
- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully (42 □.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 CFR 5.105.

An owner’s decision to terminate tenancy for incidents related to domestic violence, dating violence, sexual assault or stalking is limited by the Violence against Women Act of 2013 (VAWA) and the conforming regulations in 24 CFR Part 5, Subpart L. (See section 12-II.E.)

12-III.E. EFFECT OF TENANCY TERMINATION ON THE FAMILY’S ASSISTANCE

If a termination is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, the PHA may issue a new voucher so that the family can move with continued assistance (see Chapter 10).

E□HIBIT 12-1: STATEMENT OF FAMIL□ OBLIGATIONS

Following is a listing of a participant family's obligations under the HCV program:

- The family must supply any information that the PHA or H□D determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by the PHA or H□D for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing □uality Standards (H□S) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

  HACP Policy:

  Damages beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.
- The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.
- The family must not commit any serious or repeated violation of the lease.

  HACP Policy:

  The *HACP* will determine if a family has committed serious or repeated violations of the lease based on available evidence, including but not limited to, a court-ordered eviction or an owner's notice to evict.

  Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, living or housekeeping habits that cause damage to the unit or premises, and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault or stalking will not be construed as serious or repeated lease violations by the victim □24 CFR 5.2005(c)(1)□
- The family must notify the PHA and the owner before moving out of the unit or terminating the lease.

HACP Policy:

The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to the *HACP* at the same time the owner is notified.

- The family must promptly give the *HACP* a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence. The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

HACP Policy:

The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The *HACP* will determine eligibility of the new member in accordance with the policies in Chapter 3.

- The family must promptly notify the *HACP* in writing if any family member no longer lives in the unit.
- If the *HACP* has given approval, a foster child or a live-in aide may reside in the unit. The *HACP* has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when *HACP* consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see Chapter 3 (Sections I. and I.M), and Chapter 11 (Section II.B).
- The family must not sublease the unit, assign the lease, or transfer the unit.

HACP Policy:

Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

- The family must supply any information requested by the PHA to verify that the family is living in the unit or information related to family absence from the unit.
- The family must promptly notify the PHA when the family is absent from the unit.

HACP Policy:

Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Written notice must

be provided to the *HACP* at the start of the extended absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease (Form HUD-52646, Voucher).
- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program. (See Chapter 14, Program Integrity for additional information).
- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for HUD and PHA policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for a discussion of HUD and PHA policies related to alcohol abuse.
- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. (Form HUD-52646, Voucher)

Chapter 13

OWNERS

INTRODUCTION

Owners play a major role in the HCV program by supplying decent, safe, and sanitary housing for participating families.

The term “owner” refers to any person or entity with the legal right to lease or sublease a unit to a participant in the HCV program [24 CFR 982.4(b)]. The term “owner” includes a principal or other interested party [24 CFR 982.453; 24 CFR 982.306(f)], such as a designated agent of the owner.

Owners have numerous responsibilities under the program, including screening and leasing to families, maintaining the dwelling unit, enforcing the lease, and complying with various contractual obligations.
The chapter is organized in two parts:

> Part I: Owners in the HCV Program. This part discusses the role of an owner in the PHA’s HCV program and highlights key owner rights and responsibilities.
>
> Part II: HAP Contracts. This part explains provisions of the HAP contract and the relationship between the HACP and the owner as expressed in the HAP contract.

For detailed information about HCV program responsibilities and processes, including PHA policies in key areas, owners will need to refer to several other chapters in this plan. Where appropriate, Chapter 13 will reference the other chapters.

PART I: OWNERS IN THE HCV PROGRAM

13-I.A. OWNER RECRUITMENT AND RETENTION [HCV GB, pp. 2-4 to 2-6]

Recruitment

PHAs are responsible for ensuring that very low-income families have access to all types and ranges of affordable housing in the PHA's jurisdiction, particularly housing outside areas of poverty or minority concentration. A critical element in fulfilling this responsibility is for the PHA to ensure that a sufficient number of owners, representing all types and ranges of affordable housing in the PHA's jurisdiction, are willing to participate in the HCV program.

To accomplish this objective, PHAs must identify and recruit new owners to participate in the program.

HACP Policy:

The HACP will conduct owner outreach to ensure that owners are familiar with the program and its advantages. The HACP will actively recruit property owners with property located outside areas of poverty and minority concentration. These outreach strategies will include:

- Distributing printed material about the program to property owners and managers
- Contacting property owners and managers by phone or in-person
- Holding owner recruitment/information meetings at least once a year
- Participating in community-based organizations comprised of private property and apartment owners and managers
- Developing working relationships with owners and real estate brokers associations

Outreach strategies will be monitored for effectiveness and adapted accordingly.

Retention

In addition to recruiting owners to participate in the HCV program, the PHA must also provide the kind of customer service that will encourage participating owners to remain active in the program.

HACP Policy:

All HACP activities that may affect an owner's ability to lease a unit will be processed as rapidly as possible, in order to minimize vacancy losses for owners.

The HACP will provide owners with a handbook that explains the program, including H□D and HACP policies and procedures, in easy-to-understand language.

The HACP will give special attention to helping new owners succeed through activities such as□

Providing the owner with a designated HACP contact person.

Coordinating inspection and leasing activities between the PHA, the owner, and the family.

Initiating telephone contact with the owner to explain the inspection process and providing an inspection booklet and other resource materials about H□D housing quality standards.

Providing other written information about how the program operates, including answers to frequently asked questions.

Additional services may be undertaken on an as-needed basis, and as resources permit.

13-I□B□BASIC HCV PROGRAM REQUIREMENTS

H□D requires the PHA to assist families in their housing search by providing the family with a list of landlords or other parties known to the PHA who may be willing to lease a unit to the family, or to help the family find a unit. Although the PHA cannot maintain a list of owners that are pre-qualified to participate in the program, owners may indicate to the PHA their willingness to lease a unit to an eligible HCV family, or to help the HCV family find a unit □24 CFR 982.301(b)(11)□.

***HACP* Policy:**

Owners that wish to indicate their willingness to lease a unit to an eligible HCV family or to help the HCV family find a unit must notify the HACP. The HACP will direct applicants to the City of Pittsburg website with a listing of such owners and provide instructions to this link to the HCV family as part of the informational briefing packet.

When a family approaches an owner to apply for tenancy, the owner is responsible for screening the family and deciding whether to lease to the family, just as the owner would with any potential unassisted tenant. The HACP has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy. See chapters 3 and 9 for more detail on tenant family screening policies and process.

If the owner is willing, the family and the owner must jointly complete a Request for Tenancy Approval (RTA, Form H□D 52517), which constitutes the family's request for assistance in the specified unit, and which documents the owner's willingness to lease to the family and to follow the program's requirements. When submitted to the HACP, this document is the first step in the process of obtaining approval for the family to receive the financial assistance it will need in order to occupy the unit. Also submitted with the RTA is a copy of the owner's proposed dwelling lease, including the H□D-required Tenancy Addendum (Form H□D-52641-A). See Chapter 9 for more detail on request for tenancy approval policies and process.

H□D regulations stipulate requirements for the approval of an assisted tenancy. The owner must be qualified to participate in the program □24 CFR 982.306□. Some owners are precluded from participating in the program, or from renting to a particular family, either because of their past history with this or another federal housing program, or because of certain conflicts of interest. Owner qualifications are discussed later in this chapter.

The selected unit must be of a type that is eligible for the program □24 CFR 982.305(a)□. Certain types of dwelling units cannot be assisted under the HCV program. Other types may be assisted under certain conditions. See chapter 9 for more detail on unit eligibility policies and process.

The selected unit must meet HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by H□D □24 CFR 982.305(a)□. The HACP will inspect the owner's dwelling unit at least annually to ensure that the unit continues to meet H□S requirements. See chapter 8 for a discussion of the H□S standards and policies for H□S inspections at initial lease-up and throughout the family's tenancy.

The HACP must determine that the proposed rent for the unit is reasonable □24 CFR 982.305(a)□. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See chapter 8 for a discussion of requirements and policies on rent reasonableness, rent comparability and the rent reasonableness determination process.

At initial lease-up of a unit, if the gross rent exceeds the applicable payment standard, the HACP must ensure that the family share does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]. See chapter 6 for a discussion of the calculation of family income, family share of rent and HAP.

The dwelling lease must comply with all program requirements [24 CFR 982.308]. Owners are encouraged to use their standard leases when renting to an assisted family. ***The HUD Tenancy Addendum includes the HUD requirements governing the tenancy and must be added word-for-word to the owner's lease.*** See chapter 9 for a discussion of the dwelling lease and tenancy addendum, including lease terms and provisions.

The HACP and the owner must execute a Housing Assistance Payment (HAP) Contract (Form H[]D-52641). The HAP contract format is prescribed by H[]D. See chapter 9 for a discussion of the H[]D requirements for execution of the HAP contract.

13-I[]C[]OWNER RESPONSIBILITIES [24 CFR 982[452[]

The basic owner responsibilities in the HCV program are outlined in the regulations as follows[]

- Complying with all of the owner's obligations under the housing assistance payments (HAP) contract and the lease
- Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit
- Maintaining the unit in accordance with the Housing []uality Standards (H[]S), including performance of ordinary and extraordinary maintenance
- Complying with equal opportunity requirements
- Preparing and furnishing to the PHA information required under the HAP contract
- Collecting the security deposit, the tenant rent, and any charges for unit damage by the family.
- Enforcing tenant obligations under the dwelling lease
- Paying for utilities and services that are not the responsibility of the family as specified in the lease
- Allowing reasonable modifications to a dwelling unit occupied or to be occupied by a disabled person [24 CFR 100.203]
- Complying with the Violence against Women Reauthorization Act of 2013 (VAWA) when screening prospective HCV tenants or terminating the tenancy of an HCV family (see 24 CFR Part 5, Subpart L; 24 CFR 982.310(h)(4); and 24 CFR 982.452(b)(1))

13-I[]D[]OWNER QUALIFICATIONS

The PHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the PHA may deny approval of an

assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. No owner has a right to participate in the HCV program [24 CFR 982.306(e)].

Owners Barred from Participation [24 CFR 982.306(a) and (b)]
The PHA must not approve the assisted tenancy if the PHA has been informed that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24. HUD may direct the PHA not to approve a tenancy request if a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements, or if such an action is pending.

Leasing to Relatives [24 CFR 982.306(d), HCV GB p. 11-2]
The HACP ***must not*** approve a tenancy if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family. The HACP may make an exception as a reasonable accommodation for a family member with a disability. The owner is required to certify that no such relationship exists. This restriction applies at the time that the family receives assistance under the HCV program for occupancy of a particular unit. Current contracts on behalf of owners and families that are related may continue, but any new leases or contracts for these families may not be approved.

Conflict of Interest [24 CFR 982.161; HCV GB p. 8-19]
The HACP must not approve a tenancy in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

- Any present or former member or officer of the PHA (except a participant commissioner)
- Any employee of the HACP, or any contractor, subcontractor or agent of the PHA, who formulates policy or who influences decisions with respect to the programs
- Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs
- Any member of the Congress of the United States

HUD may waive the conflict of interest requirements, except for members of Congress, for good cause. The HACP must submit a waiver request to the appropriate HUD Field Office for determination.
Any waiver request submitted by the HACP must include the following [HCV Guidebook pp.11-2 and 11-3]:

- Complete statement of the facts of the case,

- Analysis of the specific conflict of interest provision of the HAP contract and justification as to why the provision should be waived,
- Analysis and statement of consistency with state and local laws. The local H□D office, the HACP, or both parties may conduct this analysis. Where appropriate, an opinion by the state's attorney general should be obtained,
- Opinion by the local H□D office as to whether there would be an appearance of impropriety if the waiver were granted,
- Statement regarding alternative existing housing available for lease under the HCV program or other assisted housing if the waiver is denied,
- If the case involves a hardship for a particular family, statement of the circumstances and discussion of possible alternatives,
- If the case involves a public official or member of the governing body, explanation of his/her duties under state or local law, including reference to any responsibilities involving the HCV program,
- If the case involves employment of a family member by the HACP or assistance under the HCV program for an eligible HACP employee, explanation of the responsibilities and duties of the position, including any related to the HCV program,
- If the case involves an investment on the part of a member, officer, or employee of the HACP, description of the nature of the investment, including disclosure/divestiture plans.

Where the HACP has requested a conflict of interest waiver, the HACP may not execute the HAP contract until H□D has made a decision on the waiver request.

HACP Policy:

In considering whether to request a conflict of interest waiver from H□D, the HACP will consider certain factors such as consistency of the waiver with state and local laws, the existence of alternative housing available to the family, the individual circumstances of a particular family, the specific duties of the individual(s) whose positions present a possible conflict of interest, the nature of any financial investment in the property and plans for disclosure/divestiture, and the possible appearance of impropriety.

Owner Actions That May Result in Disapproval of a Tenancy Request □24 CFR 982□306(c)□

H□D regulations permit the HACP to disapprove a request for tenancy for various actions and inactions of the owner.

If the HACP disapproves a request for tenancy because an owner is not qualified, it may not terminate the HAP contract for any assisted families that are already living in the owner's properties unless the owner has violated the HAP contract for those units (HCV GB p. 11-4).

HACP Policy:

The HACP will refuse to approve a request for tenancy if the HACP becomes aware that any of the following are true:

- The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f),
- The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program,
- The owner has engaged in any drug-related criminal activity or any violent criminal activity,
- The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program,
- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that: (i) Threatens the right to peaceful enjoyment of the premises by other residents; (ii) Threatens the health or safety of other residents, employees of the PHA, or of owner employees or other persons engaged in management of the rental unit; (iii) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or (iv) involves drug-related criminal activity or violent criminal activity;

- The owner has a history or practice of renting units that fail to meet state or local housing codes; or
- The owner has not paid state or local real estate taxes, fines, or assessments.

In considering whether to disapprove owners for any of the discretionary reasons listed above, the PHA will consider any mitigating factors. Such factors may include, but are not limited to, the seriousness of the violation in relation to program requirements, the impact on the ability of families to

lease units under the program, health and safety of participating families, among others. □pon consideration of such circumstances, the PHA may, on a case-by-case basis, choose to approve an owner.

Legal Ownership of Unit

The following represents HACP policy on legal ownership of a dwelling unit to be assisted under the HCV program.

HACP Policy:

The HACP will only enter into a contractual relationship with the legal owner of a qualified unit. No tenancy will be approved without acceptable documentation of legal ownership (e.g., deed of trust, proof of taxes for most recent year, management agreement).

13-I□E□NON-DISCRIMINATION □HAP Contract – Form HUD-52641□

The owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability, in connection with any actions or responsibilities under the HCV program and the HAP contract with the HACP.

The owner must cooperate with the HACP and with H□D in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP contract with the HACP.

See Chapter 2 for a more thorough discussion of Fair Housing and Equal Opportunity requirements in the HCV program.

PART II HAP CONTRACTS

13-II A OVERVIEW

The HAP contract represents a written agreement between the HACP and the owner of the dwelling unit occupied by a HCV assisted family. The contract states the owner's responsibilities under the program, as well as the HACP's obligations. nder the HAP contract, the HACP agrees to make housing assistance payments to the owner on behalf of the family approved by the HACP to occupy the unit.

The HAP contract is used for all HCV program tenancies except for assistance under the Section 8 homeownership program, and assistance to families that own a manufactured home and use their assistance to lease the space for the manufactured home. See chapter 15 for a discussion of any special housing types included in the HACP's HCV program.

When the HACP has determined that the unit meets program requirements and the tenancy is approvable, the HACP and owner must execute the HAP contract. See chapter 9 for a discussion of the leasing process, including provisions for execution of the HAP contract.

13-II B HAP CONTRACT CONTENTS

The HAP contract format is required by H D, specifically Housing Assistance Payment (HAP) Contract, Form H D-52641.
The HAP contract contains three parts.

Part A of the contract includes basic contract information the names of the tenant and all household members, the address of the contract unit, start and end dates of initial lease term, the amount of initial monthly rent to owner, the amount of initial housing assistance payment, the utilities and appliances to be supplied by owner and tenant, and the signatures of the HACP representative and owner HCV Guidebook, pp. 11-10 and 11-11.

In general, the HAP contract cannot be modified. However, PHAs do have the discretion to add language to Part A of the HAP contract which prohibits the owner from collecting a security deposit in excess of private market practices or in excess of amounts charged to unassisted tenants. HACP policy on the amount of security deposit an owner may collect is found in Chapter 9.
PHAs also have the discretion to add language to Part A of the HAP contract that defines when the housing assistance payment by the HACP is deemed received by the owner (e.g., upon mailing by the HACP or actual receipt by the owner).

HACP Policy:

The HACP has not adopted a policy that defines when the housing assistance payment by the HACP is deemed received by the owner. Therefore, no modifications to the HAP contract will be necessary.

Part B is the body of the contract. It describes in detail program requirements affecting the owner and owner roles and responsibilities under the HCV program. Most of the requirements contained in Part B of the HAP contract are outlined elsewhere in this plan. Topics addressed in Part B include□

- Lease of Contract □nit
- Maintenance, □tilities, and Other Services
- Term of HAP Contract
- Provision and Payment of □tilities and Appliances
- Rent to Owner□Reasonable Rent
- PHA Payment to Owner
- Prohibition of Discrimination
- Owner's Breach of HAP Contract
- PHA and H□D Access to Premises and Owner's Records
- Exclusion of Third-Party Rights
- Conflict of Interest
- Assignment of the HAP Contract
- Written Notices
- Entire Agreement Interpretation

Part C of the contract includes the Tenancy Addendum (Form H□D-52641-A). The addendum sets forth the tenancy requirements for the program and the composition of the household, as approved by the HACP. The tenant has the right to enforce the Tenancy Addendum against the owner. The terms of the Tenancy Addendum prevail over any other provisions of the lease

13-II□C□HAP CONTRACT PA□MENTS

General

During the term of the HAP contract, and subject to the provisions of the HAP contract, the HACP must make monthly HAP payments to the owner on behalf of the family, at the beginning of each month. If a lease term begins after the first of the month, the HAP payment for the first month is prorated for a partial month. The amount of the HAP payment is determined according to the policies described in Chapter 6 and is subject to change during the term of the HAP contract. The HACP must notify the owner and the family in writing of any

changes in the HAP payment.

HAP payments can be made only during the lease term, and only while the family is residing in the unit.

The monthly HAP payment by the HACP is credited toward the monthly rent to owner under the family's lease. The total of the rent paid by the tenant and the HAP payment is equal to the rent to owner as specified in the lease.

The family is not responsible for payment of the HAP payment, and the HACP is not responsible for payment of the family share of rent.

The family's share of the rent cannot be more than the difference between the rent to owner and the HAP payment. The owner may not demand or accept any rent payment from the tenant in excess of this maximum [24 CFR 982.451(b)(4)]. The owner may not charge the tenant extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)]. See chapter 9 for a discussion of separate, non-lease agreements for services, appliances and other items that are not included in the lease.

If the owner receives any excess HAP from the HACP, the excess amount must be returned immediately. If the HACP determines that the owner is not entitled to all or a portion of the HAP, the HACP may deduct the amount of overpayment from any amounts due to the owner, including amounts due under any other Section 8 HCV contract. See Chapter 16 for additional detail on owner reimbursement of HAP overpayments.

Owner Certification of Compliance

Unless the owner complies with all provisions of the HAP contract, the owner is not entitled to receive housing assistance payments under the HAP contract [HAP Contract – Form HUD-52641].

By endorsing the monthly check from the HACP, the owner certifies to compliance with the terms of the HAP contract. This includes certification that the owner is maintaining the unit and premises in accordance with HQS; that the contract unit is leased to the tenant family and, to the best of the owner's knowledge, the family resides in the unit as the family's only residence; the rent to owner does not exceed rents charged by the owner for comparable unassisted units on the premises; and that the owner does not receive (other than rent to owner) any additional payments or other consideration for rent of the contract unit during the HAP term.

Late HAP Payments (24 CFR 982.451(a)(5))

The HACP is responsible for making HAP payments promptly when due to the owner, in accordance with the terms of the HAP contract. After the first two calendar months of the HAP contract term, the HAP contract provides for late penalties if the HACP fails to make the HAP payment on time.

Penalties for late HAP payments can only be imposed if 1) the penalties are in accordance with generally accepted local rental market practices and law governing penalties for late payment by tenants; 2) it is the owner's normal business practice to charge late payment penalties for both assisted and unassisted families; and 3) the owner charges the assisted family for late payment of the family's share of the rent.

The HACP is not required to pay a late payment penalty if HUD determines that the payment is late for reasons beyond the HACP's control. In addition, late payment penalties are not required if the HACP intentionally delays or denies payment as a remedy to an owner breach of the HAP contract (HCV Guidebook p. 11-7).

Termination of HAP Payments (24 CFR 982.311(b))

The HACP must continue making housing assistance payments to the owner in accordance with the HAP contract as long as the tenant continues to occupy the unit and the HAP contract is not violated.

HAP payments terminate when the HAP contract terminates or when the tenancy is terminated in accordance with the terms of the lease.

If the owner has initiated eviction proceedings against the family and the family continues to reside in the unit, the HACP must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

HACP Policy:

The owner must inform the HACP when the owner has initiated eviction proceedings against the family and the family continues to reside in the unit.

The owner must inform the HACP when the owner has obtained a court judgment or other process allowing the owner to evict the tenant and provide the HACP with a copy of such judgment or determination.

After the owner has obtained a court judgment or other process allowing the owner to evict the tenant, the HACP will continue to make HAP payments to the owner until the family actually moves from the unit or until

the family is physically evicted from the unit, whichever is earlier. The owner must inform the HACP of the date when the family actually moves from the unit or the family is physically evicted from the unit.

13-II.D. BREACH OF HAP CONTRACT [24 CFR 982.453]

Any of the following actions by the owner constitutes a breach of the HAP contract.

- If the owner violates any obligations under the HAP contract including failure to maintain the unit in accordance with HQS
- If the owner has violated any obligation under any other HAP contract under Section 8
- If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulation for the applicable program; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan
- If the owner has engaged in drug-related criminal activity
- If the owner has committed any violent criminal activity

If the HACP determines that a breach of the HAP contract has occurred, it may exercise any of its rights and remedies under the HAP contract.
The HACP rights and remedies against the owner under the HAP contract include recovery of any HAP overpayment, suspension of housing assistance payments, abatement or reduction of the housing assistance payment, termination of the payment or termination of the HAP contract. The HACP may also obtain additional relief by judicial order or action.

The HACP must notify the owner of its determination and provide in writing the reasons for the determination. The notice may require the owner to take corrective action by an established deadline. The HACP must provide the owner with written notice of any reduction in housing assistance payments or the termination of the HAP contract.

HACP Policy:

Before the HACP exercises a remedy against an owner, the HACP will evaluate all information and documents available to determine if the contract has been breached. If relevant, the HACP will conduct an audit of the owner's records pertaining to the tenancy or unit.

If it is determined that the owner has breached the contract, the HACP will

consider all of the relevant factors including the seriousness of the breach, the effect on the family, the owner's record of compliance and the number and seriousness of any prior HAP contract violations.

13-II.E. HAP CONTRACT TERM AND TERMINATIONS

The term of the HAP contract runs concurrently with the term of the dwelling lease (24 CFR 982.451(a)(2)), beginning on the first day of the initial term of the lease and terminating on the last day of the term of the lease, including any lease term extensions.

The HAP contract and the housing assistance payments made under the HAP contract terminate if (HCV Guidebook pp.11-4 and 11-5, pg. 15-3):

- The owner or the family terminates the lease,
- The lease expires,
- The HACP terminates the HAP contract,
- The HACP terminates assistance for the family,
- The family moves from the assisted unit. In this situation, the owner is entitled to keep the housing assistance payment for the month when the family moves out of the unit.
- 180 calendar days have elapsed since the HACP made the last housing assistance payment to the owner,
- The family is absent from the unit for longer than the maximum period permitted by the HACP,
- The Annual Contributions Contract (ACC) between the HACP and HUD expires
- The HACP elects to terminate the HAP contract.

***HACP* Policy:**

The HACP may elect to terminate the HAP contract in each of the following situations:

- Available program funding is not sufficient to support continued assistance for families in the program (24 CFR 982.454),
- The unit does not meet HUD's size requirements due to change in family composition (24 CFR 982.403) – see chapter 8,
- The unit does not meet HUD's (24 CFR 982.404) – see chapter 8,

- The family breaks up (HUD Form 52641) – see chapter 3,
- The owner breaches the HAP contract (24 CFR 982.453(b)) – see Section 13-II.D.

If the HACP terminates the HAP contract, the HACP must give the owner and the family written notice. The notice must specify the reasons for the termination and the effective date of the termination. Once a HAP contract is terminated, no further HAP payments may be made under that contract (HCV Guidebook pg.15-4).

HACP Policy:

In all cases, the HAP contract terminates at the end of the calendar month that follows the calendar month in which the HACP gives written notice to the owner. The owner is not entitled to any housing assistance payment after this period and must return to the HACP any housing assistance payment received after this period.

If the family moves from the assisted unit into a new unit, even if the new unit is in the same building or complex as the assisted unit, the HAP contract for the assisted unit terminates. A new HAP contract would be required (HCV GB, p.11-17).

When the family moves from an assisted unit into a new unit, the term of the HAP contract for the new unit may begin in the same month in which the family moves out of its old unit. This is not considered a duplicative subsidy (HCV GB, p. 8-22).

13-II.F. CHANGE IN OWNERSHIP/ASSIGNMENT OF THE HAP CONTRACT (HUD-52641)

The HAP contract cannot be assigned to a new owner without the prior written consent of the HACP.

An owner under a HAP contract must notify the HACP in writing prior to a change in the legal ownership of the unit. The owner must supply all information as requested by the HACP.

Prior to approval of assignment to a new owner, the new owner must agree to be bound by and comply with the HAP contract. The agreement between the new owner and the former owner must be in writing and in a form that the HACP finds acceptable. The new owner must provide the HACP with a copy of the executed agreement.

HACP Policy:

Assignment of the HAP contract will be approved only if the new owner is qualified to become an owner under the HCV program according to the policies in Section 13-I.D. of this chapter.

The HACP must receive a signed, written request from the existing owner stating the name and address of the new HAP payee and the effective date of the assignment in order to change the HAP payee under an outstanding HAP contract.

Within 10 business days of receiving the owner's request, the HACP will inform the current owner in writing whether the assignment may take place.

The new owner must provide a written certification to the HACP that includes

- A copy of the escrow statement or other document showing the transfer of title and recorded deed,
- A copy of the owner's IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the social security number of the new owner,
- The effective date of the HAP contract assignment,
- A written agreement to comply with the terms of the HAP contract; and
- A certification that the new owner is not a prohibited relative.

If the new owner does not agree to an assignment of the HAP contract, or fails to provide the necessary documents, the HACP will terminate the HAP contract with the old owner. If the new owner wants to offer the family a new lease, and the family elects to stay with continued assistance, the HACP will process the leasing in accordance with the policies in Chapter 9.

Chapter 14

PROGRAM INTEGRIT

INTRODUCTION

The HACP is committed to ensuring that subsidy funds made available to the HACP are spent in accordance with H D requirements.

This chapter covers H D and HACP policies designed to prevent, detect, investigate, and resolve instances of program abuse or fraud. It also describes the actions that will be taken in the case of unintentional errors and omissions.

Part I Preventing, Detecting, and Investigating Errors and Program Abuse. This part presents HACP policies related to preventing, detecting, and investigating errors and program abuse.

Part II Corrective Measures and Penalties. This part describes the corrective measures the HACP must and may take when errors or program abuses are found.

PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE

14-I A PREVENTING ERRORS AND PROGRAM ABUSE

H D created the Enterprise Income Verification (EIV) system to provide PHAs with a powerful tool for preventing errors and detecting program abuse. PHAs are required to use the EIV system in its entirety in accordance with H D administrative guidance 24 CFR 5.233. PHAs are further required to

- Provide applicants and participants with form H D-52675, “Debts Owed to PHAs and Terminations”
- Require all adult members of an applicant or participant family to acknowledge receipt of form H D-52675 by signing a copy of the form for retention in the family file

HACP Policy:

To ensure that the PHA’s HCV program is administered according to the highest ethical and legal standards, the HACP will employ a variety of techniques to ensure that both errors and intentional program abuse are rare.

The HACP will discuss program compliance and integrity issues during the voucher briefing sessions described in Chapter 5.

The HACP will provide each applicant and participant with a copy of “Is Fraud Worth It?” (Form H□D-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse.

he HACP will provide each applicant and participant with a copy of “What You Should Know about EIV,” a guide to the Enterprise Income Verification (EIV) system published by H□D as an attachment to Notice PIH 2010-19. In addition, the HACP will require the head of each household to acknowledge receipt of the guide by signing a copy for retention in the family file.

The HACP will place a warning statement about the penalties for fraud (as described in 18 □.S.C. 1001 and 1010) on key HACP forms and form letters that request information from a family or owner.

HACP staff will be required to review and explain the contents of all H□D and PHA-required forms prior to requesting family member signatures.

At every regular reexamination, HACP staff will explain any changes in H□D regulations or HACP policy that affect program participants.

The HACP will require first-time owners (or their agents) to participate in a briefing session on HAP contract requirements.

The HACP will provide owners with ongoing information about the program, with an emphasis on actions and situations to avoid.

The HACP will provide each HACP employee with the necessary training on program rules and the organization’s standards of conduct and ethics.

For purposes of this chapter the term *error* refers to an unintentional error or omission. Program abuse or fraud refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

14-I□B□DETECTING ERRORS AND PROGRAM ABUSE

In addition to taking steps to prevent errors and program abuse, the PHA will use a variety of activities to detect errors and program abuse.

Quality Control and Analysis of Data

□nder the Section 8 Management Assessment Program (SEMAP), H□D requires the PHA to review a random sample of tenant records annually to determine if the records conform to program requirements and to conduct quality control inspections of a sample of units to ensure H□S compliance □24 CFR, Part 985□.

(See Chapter 16 for additional information about SEMAP requirements).

HACP Policy:

In addition to the SEMAP quality control requirements, the HACP will employ a variety of methods to detect errors and program abuse.

The HACP routinely will use H□D and other non-H□D sources of up-front income verification. This includes "The Work Number" and any other private or public databases available to the HACP.

At each annual reexamination, current information provided by the family will be compared to information provided at the last annual reexamination to identify inconsistencies and incomplete information.

The HACP will compare family-reported income and expenditures to detect possible unreported income.

Independent Audits and HUD Monitoring

OMB Circular A-133 requires all PHAs that expend $500,000 or more in federal awards annually to have an independent audit (IPA). In addition, H□D conducts periodic on-site and automated monitoring of PHA activities and notifies the PHA of errors and potential cases of program abuse.

HACP Policy:

The HACP will use the results reported in any IPA or H□D monitoring reports to identify potential program abuses as well as to assess the effectiveness of the HACP's error detection and abuse prevention efforts.

Individual Reporting of Possible Errors and Program Abuse

HACP Policy:

The HACP will encourage staff, program participants, and the public to report possible program abuse.

14-I□C□INVESTIGATING ERRORS AND PROGRAM ABUSE

When the PHA Will Investigate

HACP Policy:

The HACP will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for the HACP to

investigate, the allegation must contain at least one independently verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

The HACP will investigate when inconsistent or contradictory information is detected through file reviews and the verification process.

Consent to Release of Information [24 CFR 982.516]

The PHA may investigate possible instances of error or abuse using all available PHA and public records. If necessary, the PHA will require HCV families to sign consent forms for the release of additional information.

Analysis and Findings

HACP Policy:

The HACP will base its evaluation on a preponderance of the evidence collected during its investigation.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence that as a whole, shows that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

For each investigation the HACP will determine (1) whether an error or program abuse has occurred, (2) whether any amount of money is owed the PHA, and (3) what corrective measures or penalties will be assessed.

Consideration of Remedies

All errors and instances of program abuse must be corrected prospectively. Whether the PHA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

HACP Policy:

In the case of family-caused errors or program abuse, the HACP will take into consideration (1) the seriousness of the offense and the extent of participation or culpability of individual family members, (2) any special circumstances surrounding the case, (3) any mitigating circumstances related to the disability of a family member, (4) the effects of a particular remedy on family members who were not involved in the offense.

In the case of owner-caused errors or program abuse, the HACP will take

into consideration (1) the seriousness of the offense, (2) the length of time since the violation has occurred, and (3) the effects of a particular remedy on family members who were not involved in the offense.

Notice and Appeals

HACP Policy:

The HACP will inform the relevant party in writing of its findings and remedies within 10 business days of the conclusion of the investigation. The notice will include (1) a description of the error or program abuse, (2) the basis on which the HACP determined the error or program abuses, (3) the remedies to be employed, and (4) the family's right to appeal the results through the informal review or hearing process, if applicable (see Chapter 16).

PART II: CORRECTIVE MEASURES AND PENALTIES

14-II.A. SUBSIDY UNDER- OR OVERPAYMENTS

A subsidy under- or overpayment includes (1) an incorrect housing assistance payment to the owner, (2) an incorrect family share established for the family, and (3) an incorrect utility reimbursement to a family.

Corrections

Whether the incorrect subsidy determination is an overpayment or underpayment of subsidy, the PHA must promptly correct the HAP, family share, and any utility reimbursement prospectively.

HACP Policy:

Increases in the family share will be implemented on the first of the month following a written 30-day notice.

Any decreases in family share will become effective the first of the month following the discovery of the error.

Reimbursement

Whether the family or owner is required to reimburse the PHA or the PHA is required to make retroactive subsidy payments to the owner or family depends upon which party is responsible for the incorrect subsidy payment and whether the action taken was an error or program abuse. Policies regarding reimbursement are discussed in the three sections that follow.

14-II.B. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE

Family obligations and general administrative requirements for participating in the program are discussed throughout this plan. This section deals specifically with errors and program abuse by family members.

An incorrect subsidy determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows the PHA to use incorrect information provided by a third party.

Family Reimbursement to PHA [HCV GB pp. 22-12 to 22-13]

HACP Policy:

In the case of family-caused errors or program abuse, the family will be required to repay any excess subsidy received. The HACP may, but is not required to, offer the family a repayment agreement in accordance with Chapter 16. If the family fails to repay the excess subsidy, the HACP will terminate the family's assistance in accordance with the policies in Chapter 12.

PHA Reimbursement to Family (HCV GB p. 22-12)

HACP Policy:

The HACP will not reimburse the family for any underpayment of assistance when the underpayment clearly is caused by the family.

Prohibited Actions

An applicant or participant in the HCV program must not knowingly:

- Make a false statement to the PHA (Title 18 U.S.C. Section 1001).
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program (24 CFR 982.552(c)(iv)).

HACP Policy:

Any of the following will be considered evidence of family program abuse:

Payment to the owner in excess of amounts authorized by the HACP for rent, security deposit, and additional services

Offering bribes or illegal gratuities to the Governing Board of the HACP, employees, contractors, or other HACP representatives

Offering payments or other incentives to the owner or a third party as an inducement for the third party to make false or misleading statements to the HACP on the family's behalf

Use of a false name or the use of falsified, forged, or altered documents

Intentional misreporting of family information or circumstances (e.g., income, family composition)

Omitted facts that were obviously known by a family member (e.g., not reporting employment income)

Admission of program abuse by an adult family member

The HACP may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

Penalties for Program Abuse

In the case of program abuse caused by a family the PHA may, at its discretion, impose any of the following remedies.

- The PHA may require the family to repay excess subsidy amounts paid by the PHA, as described earlier in this section.

- The PHA may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit. See policies in Chapter 3 (for applicants) and Chapter 12 (for participants).
- The PHA may deny or terminate the family's assistance following the policies set forth in Chapter 3 and Chapter 12 respectively.
- The PHA may refer the family for state or federal criminal prosecution as described in section 14-II.E.

14-II.C. OWNER-CAUSED ERROR OR PROGRAM ABUSE

Owner requirements that are part of the regular process of offering, leasing, and maintaining a unit (e.g., HQS compliance, fair housing) are addressed in the appropriate chapters of this plan. This section focuses on errors and program abuse by owners.

An incorrect subsidy determination caused by an owner generally would be the result of an incorrect owner statement about the characteristics of the assisted unit (e.g., the number of bedrooms, which utilities are paid by the family). It also includes accepting duplicate housing assistance payments for the same unit in the same month, or after a family no longer resides in the unit.

Owner Reimbursement to the PHA

In all cases of overpayment of subsidy caused by the owner, the owner must repay to the PHA any excess subsidy received. The PHA may recover overpaid amounts by withholding housing assistance payments due for subsequent months, or if the debt is large, the PHA may allow the owner to pay in installments over a period of time (HCV GB p. 22-13).

HACP Policy:

In cases where the owner has received excess subsidy, the HACP will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.

Prohibited Owner Actions

An owner participating in the HCV program must not:

- Make any false statement to the PHA (Title 18 U.S.C. Section 1001).
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program (24 CFR 982.453(a)(3)) including:

HACP Policy:

Any of the following will be considered evidence of owner program abuse:

- Charging the family rent above or below the amount specified by the HACP
- Charging a security deposit other than that specified in the family's lease
- Charging the family for services that are provided to unassisted tenants at no extra charge
- □nowingly accepting housing assistance payments for any month(s) after the family has vacated the unit
- □nowingly accepting incorrect or excess housing assistance payments
- Offering bribes or illegal gratuities to the Governing Board of the Housing Authority, employees, contractors, or other HACP representatives
- Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to the HACP
- Residing in the unit with an assisted family

Remedies and Penalties

When the PHA determines that the owner has committed program abuse, the PHA may take any of the following actions□

- Require the owner to repay excess housing assistance payments, as discussed earlier in this section and in accordance with the policies in Chapter 16.
- Terminate the HAP contract (See Chapter 13).
- Bar the owner from future participation in any PHA programs.
- Refer the case to state or federal officials for criminal prosecution as described in section 14-II.E.

14-II□D□PHA-CAUSED ERRORS OR PROGRAM ABUSE

The responsibilities and expectations of PHA staff with respect to normal program administration are discussed throughout this plan. This section specifically addresses actions of a PHA staff member that are considered errors or program abuse related to the HCV program. Additional standards of conduct may be provided in the PHA personnel policy.

PHA-caused incorrect subsidy determinations include (1) failing to correctly apply HCV rules regarding family composition, income, assets, and expenses, (2) assigning the incorrect voucher size to a family, and (3) errors in calculation.

Repayment to the PHA

Neither a family nor an owner is required to repay an overpayment of subsidy if the error or program abuse is caused by PHA staff (HCV GB. 22-12).

PHA Reimbursement to Family or Owner

The PHA must reimburse a family for any underpayment of subsidy, regardless of whether the underpayment was the result of staff-caused error or staff or owner program abuse. Funds for this reimbursement must come from the PHA's administrative fee reserves (HCV GB p. 22-12).

Prohibited Activities

HACP Policy:

Any of the following will be considered evidence of program abuse by HACP staff:

- Failing to comply with any HCV program requirements for personal gain
- Failing to comply with any HCV program requirements as a result of a conflict-of-interest relationship with any applicant, participant, or owner
- Seeking or accepting anything of material value from applicants, participating families, vendors, owners, contractors, or other persons who provide services or materials to the HACP
- Disclosing confidential or proprietary information to outside parties
- Gaining profit as a result of insider knowledge of HACP activities, policies, or practices
- Misappropriating or misusing HCV funds
- Destroying, concealing, removing, or inappropriately using any records related to the HCV program
- Committing any other corrupt or criminal act in connection with any federal housing program

14-II.E. CRIMINAL PROSECUTION

HACP Policy:

When the HACP determines that program abuse by an owner, family, or HACP staff member has occurred and the amount of overpaid subsidy meets or exceeds the threshold for prosecution under local or state law, the HACP will refer the matter to the appropriate entity for prosecution. When the amount of overpaid assistance meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the HCV program will be referred to the appropriate local, state, or federal entity.

14-II.F. FRAUD AND PROGRAM ABUSE RECOVERIES

The PHA may retain a portion of program fraud losses that the PHA recovers from a family or owner through litigation, court order, or a repayment agreement (24 CFR 982.163).

The PHA must be the principal party initiating or sustaining the action to recover amounts due from tenants that are due as a result of fraud and abuse. Section 24 CFR 792.202 permits the PHA to retain the greater of:

- fifty percent of the amount it actually collects from a judgment, litigation (including settlement of a lawsuit) or an administrative repayment agreement, or
- Reasonable and necessary costs that the PHA incurs related to the collection including costs of investigation, legal fees, and agency collection fees.

The family must be afforded the opportunity for an informal hearing in accordance with requirements in 24 CFR 982.555.

If HUD incurs costs on behalf of the PHA related to the collection, these costs must be deducted from the amount retained by the PHA.

Chapter 15

SPECIAL HOUSING T□PES

□24 CFR 982 Subpart M□

INTRODUCTION

The PHA may permit a family to use any of the special housing types discussed in this chapter. However, the PHA is not required to permit families receiving assistance in its jurisdiction to use these housing types, except that PHAs must permit use of any special housing type if needed as a reasonable accommodation for a person with a disability. The PHA also may limit the number of families who receive HCV assistance in these housing types and cannot require families to use a particular housing type. No special funding is provided for special housing types.

HACP Policy:

In most instances, families *may not be permitted* ***to use any special housing types,*** unless use is needed as a reasonable accommodation so that the program is readily accessible to a person with disabilities.

Special housing types include single room occupancy, congregate housing, group homes, shared housing, cooperative housing, manufactured homes where the family owns the home and leases the space, and homeownership □24 CFR 982.601□.

This chapter consists of the following seven parts. Each part contains a description of the housing type and any special requirements associated with it. Except as modified by this chapter, the general requirements of the HCV program apply to special housing types.

Part I□Single Room Occupancy

Part II□Congregate Housing

Part III□Group Homes

Part IV□Shared Housing

Part V□Cooperative Housing

Part VI□Manufactured Homes (including manufactured home space rental)

Part VII□Homeownership

PART I: SINGLE ROOM OCCUPANC□

□24 CFR 982.602 through 982.605□

15-I A OVERVIEW

A single room occupancy (SRO) unit provides living and sleeping space for the exclusive use of the occupant but requires the occupant to share sanitary and/or food preparation facilities with others. More than one person may not occupy an SRO unit. HCV regulations do not limit the number of units in an SRO facility, but the size of a facility may be limited by local ordinances.

When providing HCV assistance in an SRO unit, a separate lease and HAP contract are executed for each assisted person, and the standard form of the HAP contract is used.

15-I B PA MENT STANDARD, UTILIT ALLOWANCE, AND HAP CALCULATION

The payment standard for SRO housing is 75 percent of the zero-bedroom payment standard amount on the PHA's payment standard schedule.

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero-bedroom utility allowance.

The HAP for an assisted occupant in an SRO facility is the lower of the SRO payment standard amount minus the TTP or the gross rent for the unit minus the TTP.

15-I C HOUSING QUALIT STANDARDS (HQS)

H S requirements described in Chapter 8 apply to SRO housing except as modified below.

- Access Access doors to the SRO unit must have working locks for privacy. The occupant must be able to access the unit without going through any other unit. Each unit must have immediate access to two or more approved means of exit from the building, appropriately marked and leading to safe and open space at ground level. The SRO unit must also have any other means of exit required by State or local law.
- Fire Safety All SRO facilities must have a sprinkler system that protects major spaces. "Major spaces" are defined as hallways, common areas, and any other areas specified in local fire, building, or safety codes. SROs must also have hard-wired smoke detectors, and any other fire and safety equipment required by state or local law.
- Sanitary facilities and space and security standards must meet local code requirements for SRO housing. In the absence of local code standards, the requirements discussed below apply 24 CFR 982.605.
- Sanitary Facilities At least one flush toilet that can be used in privacy, a lavatory basin, and a bathtub or shower in proper operating condition must be provided for each six persons (or fewer) residing in the SRO facility. If the

SRO units are leased only to men, flush urinals may be substituted for up to one half of the required number of toilets. Sanitary facilities must be reasonably accessible from a common hall or passageway and may not be located more than one floor above or below the SRO unit. They may not be located below grade unless the SRO units are located on that level.

- Space and Security□An SRO unit must contain at least 110 square feet of floor space, and at least four (4) square feet of closet space with an unobstructed height of at least five feet, for use by the occupant. If the closet space is less than four square feet, the habitable floor space in the SRO unit must be increased by the amount of the deficiency. Exterior doors and windows accessible from outside the SRO unit must be lockable.

  Because no children live in SRO housing, the housing quality standards applicable to lead-based paint do not apply.

PART II: CONGREGATE HOUSING

□24 CFR 982.606 through 982.609□

15-II□A□OVERVIEW

Congregate housing is intended for use by elderly persons or persons with disabilities. A congregate housing facility contains a shared central kitchen and dining area and a private living a rea for the individual household that includes at least a living room, bedroom and bathroom. Food service for residents must be provided.

If approved by the PHA, a family member or live-in aide may reside with the elderly person or person with disabilities. The PHA 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 congregate housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

15-II□B□PA□MENT STANDARD, UTILIT□ ALLOWANCE, AND HAP CALCULATION

The payment standard for an individual unit in a congregate housing facility is based on the number of rooms in the private living area. If there is only one room in the unit (not including the bathroom or the kitchen, if a kitchen is provided), the PHA must use the payment standard for a zero-bedroom unit. If the unit has two or more rooms (other than the bathroom and the kitchen), the PHA must use the one-bedroom payment standard.

The HAP for an assisted occupant in a congregate housing facility is the lower of the applicable payment standard minus the TTP or the gross rent for the unit minus the TTP.

The gross rent for the unit for the purpose of calculating HCV assistance is the shelter portion (including utilities) of the resident's monthly housing expense only. The residents' costs for food service should not be included in the rent for a congregate housing unit.

15-II.C. HOUSING QUALITY STANDARDS

HQS requirements as described in Chapter 8 apply to congregate housing except for the requirements stated below.

Congregate housing must have (1) a refrigerator of appropriate size in the private living area of each resident; (2) a central kitchen and dining facilities located within the premises and accessible to the residents, and (3) food service for the residents, that is not provided by the residents themselves.

The housing quality standards applicable to lead-based paint do not apply.

PART III: GROUP HOME

[24 CFR 982.610 through 982.614 and HCV GB p. 7-4]

15-III.A. OVERVIEW

A group home is a state-licensed facility intended for occupancy by elderly persons and/or persons with disabilities. Except for live-in aides, all persons living in a group home, whether assisted or not, must be elderly persons or persons with disabilities. Persons living in a group home must not require continuous medical or nursing care.

A group home consists of bedrooms for residents, which can be shared by no more than two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.

No more than 12 persons may reside in a group home including assisted and unassisted residents and any live-in aides.

If approved by the PHA, a live-in aide may live in the group home with a person with disabilities. The PHA 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 a group home, a separate lease and HAP

contract is executed for each assisted family, and the standard form of the HAP contract is used.

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

Unless there is a live-in aide, the family unit size for an assisted occupant of a group home must be zero- or one-bedroom, depending on the PHA's subsidy standard. If there is a live-in aide, the aide must be counted in determining the household's unit size.

The payment standard used to calculate the HAP is the lower of the payment standard for the family unit size or the pro-rata share of the payment standard for the group home size. The pro-rata share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home.

The HAP for an assisted occupant in a group home is the lower of the payment standard minus the TTP or the gross rent minus the TTP.

The utility allowance for an assisted occupant in a group home is the pro-rata share of the utility allowance for the group home.

The rents paid for participants residing in group homes are subject to generally applicable standards for rent reasonableness. The rent for an assisted person must not exceed the pro-rata portion of the reasonable rent for the group home. In determining reasonable rent, the PHA should consider whether sanitary facilities and facilities for food preparation and service are common facilities or private facilities.

15-III.C. HOUSING QUALITY STANDARDS

HQS requirements described in Chapter 8 apply to group homes except for the requirements stated below.

- Sanitary Facilities. A group home must have at least one bathroom in the facility, with a flush toilet that can be used in privacy, a fixed basin with hot and cold running water, and a shower or bathtub with hot and cold running water. A group home may contain private or common bathrooms. However, no more than four residents can be required to share a bathroom.
- Food Preparation and Service. Group home units must contain a kitchen and dining area with adequate space to store, prepare, and serve food. The facilities for food preparation and service may be private or may be shared by the residents. The kitchen must contain a range, an oven, a refrigerator, and a sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.

- Space and Security—Group homes must contain at least one bedroom of appropriate size for every two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.
- Structure and Material—To avoid any threat to the health and safety of the residents, group homes must be structurally sound. Elevators must be in good condition. Group homes must be accessible to and usable by residents with disabilities.
- Site and Neighborhood—Group homes must be located in a residential setting. The site and neighborhood should be reasonably free from hazards to the health, safety, and general welfare of the residents, and should not be subject to serious adverse conditions, such as—
  - Dangerous walks or steps
  - Instability
  - Flooding, poor drainage
  - Septic tank back-ups
  - Sewage hazards
  - Mud slides
  - Abnormal air pollution
  - Smoke or dust
  - Excessive noise
  - Vibrations or vehicular traffic
  - Excessive accumulations of trash
  - Vermin or rodent infestation, and
  - Fire hazards.

The housing quality standards applicable to lead-based paint do not apply.

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 other 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 the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA 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□PA□MENT STANDARD, UTILIT□ 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 pro-rata share of the payment standard for the shared housing unit size.

The pro-rata 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 pro-rata 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 pro-rata share of the utility allowance is $150 (3/4 of $200)

The PHA will use the 2-bedroom utility allowance of $100.

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, the PHA should consider

whether sanitary and food preparation areas are private or shared.

15-IV.C. HOUSING QUALITY STANDARDS

The PHA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.

HQS requirements described in Chapter 8 apply to shared housing except for the requirements stated below.

- Facilities Available for the Family. Facilities available to the assisted family, whether shared or private, must include a living room, a bathroom, and food preparation and refuse disposal facilities.
- Space and Security. The entire unit must provide adequate space and security for all assisted and unassisted residents. The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family must not be less than the family unit size. A zero-bedroom or one-bedroom unit may not be used for shared housing.

PART V: COOPERATIVE HOUSING

[24 CFR 982.619]

15-V.A. OVERVIEW

This part applies to rental assistance for a cooperative member residing in cooperative housing. It does not apply to assistance for a cooperative member who has purchased membership under the HCV homeownership option, or to rental assistance for a family that leases a cooperative housing unit from a cooperative member.

A cooperative is a form of ownership (nonprofit corporation or association) in which the residents purchase memberships in the ownership entity. Rather than being charged "rent" a cooperative member is charged a "carrying charge."

When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used.

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

The payment standard and utility allowance are determined according to regular HCV program requirements.

The HAP for a cooperative housing unit is the lower of the payment standard

minus the TTP or the monthly carrying charge for the unit, plus any utility allowance, minus the TTP. The monthly carrying charge includes the member's share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. The carrying charge does not include down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

15-V□C□HOUSING QUALIT□ STANDARDS

All standard H□S requirements apply to cooperative housing units. There are no additional H□S requirements.

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 the PHA 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 H□S requirements as provided in 15-VI.D below.

(2) H□D 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 HOMEOWNERS 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□PA□MENT STANDARD, UTILIT□ ALLOWANCE AND HAP

CALCULATION FR Notice 1/18/17

Payment Standards

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.

Utility Allowance

The PHA 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. tility 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.

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 manufactured home space rent (including other eligible housing expenses) minus the TTP.

Rent Reasonableness

Initially, and annually thereafter the PHA must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. The PHA must consider the location and size of the space, and any services and maintenance to be provided by the owner. By accepting the monthly HAP check, the owner certifies that the rent does not exceed rents charged by the owner for comparable unassisted spaces in the manufactured home park or elsewhere.

15-VI.D. HOUSING QUALITY STANDARDS

Under either type of occupancy described in 15-VI.A above, the manufactured home must meet all HQS performance requirements and acceptability criteria discussed in Chapter 8 of this plan. In addition, the following requirement applies.

Manufactured Home Tie-Down

A manufactured home must be placed on the site in a stable manner and must be free from hazards such as sliding or wind damage. The home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist overturning and sliding.

PART VII: HOMEOWNERSHIP

[24 CFR 982.625 through 982.643]

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. The PHA 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.

monthly homeownership assistance payments and single down payment

assistance grants. 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.

The PHA must offer 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 the PHA to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. The PHA must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. The PHA may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where the PHA has otherwise opted not to implement a homeownership program.

The PHA 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. The PHA may also establish additional initial requirements as long as they are described in the PHA administrative plan.

- The family must have been admitted to the Housing Choice Voucher program.

  The family must qualify as a first-time homeowner or may be a cooperative member.

  HACP Policy:

  A first-time home buyer means that no member of the household has had any interest or ownership in any residence during the three years before applying for homeownership assistance or at the commencement of participation in the homeownership program. The purchaser must sign a sworn application attesting that they have not owned a home. In addition, the last three years tax returns may be required to ascertain that no mortgage interest or real estate tax deductions have been claimed. Single parents or displaced homemakers who owned a home while married or resided in a home owned by a spouse also qualify as first- time homebuyers.

  The family must meet the Federal minimum income requirement. The family must have a gross annual income equal to the Federal minimum wage multiplied by 2,000, based on the income of adult family members who will

own the home. The PHA may establish a higher income standard for families. However, a family that meets the federal minimum income requirement (but not the PHA's requirement) will be considered to meet the minimum income requirement if it can demonstrate that it has been pre-qualified or pre-approved for financing that is sufficient to purchase an eligible unit.

HACP Policy:

Calculation of income-eligibility for the HCV Homeownership Program for the purpose of determining income-eligibility for admission to the program will be conducted under the guidelines for HCV rental assistance as noted in this Administrative Plan.

a) The head of household, spouse or other adult member(s) of the household that will hold title to the home must have a combined annual gross income of not less than $10,300 or 30□ of the Median Family Income adjusted for the family size and must not exceed 80□ of the Median Family Income as determined by H□D.

b) A family that does not meet this requirement, but does meet all other HOME OWNERSHIP PROGRAM requirements, may request a waiver provided the family can demonstrate that□

- Head of household, spouse or other adult member(s) of the household that will hold title to the home have a combined annual gross income of not less than the California State minimum wage multiplied by 2,000 and,
- Family is able to secure a mortgage and the total housing cost to the family will not exceed thirty five percent (35□) of the family's total gross monthly income

c) Welfare assistance may not be included in the minimum gross annual income above, except for elderly or disabled families. Welfare assistance includes payments from Temporary assistance for Needy Families (TANF), Supplementary Security Income (SSI) that is subject to an income eligibility test, food stamps, general assistance (GA); or other welfare assistance as specified by H□D.

- For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.

- For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.
- The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (the term 'full-time employment' means not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family.

HACP Policy:

The HACP has the following guidelines for a family to be eligible

a) One or more adult members of the household that will hold title to the home must be currently employed and working not less than average of 30 hours of per week and has been continuously employed for one (1) year prior to application to the Home Ownership Program.

b) Employment requirements do not apply to elderly or disabled families that otherwise qualify for Home Ownership Program.

c) A family with a member with disabilities may request an exemption from the work requirements if needed as a reasonable accommodation for the disabled family member.

d) The HACP may also consider whether and to what extent an employment interruption is considered permissible in satisfying the employment requirement. The HACP may also consider successive employment during the one-year period and self- employment in a business.

- The employment requirement does not apply to elderly and disabled families. In addition, if a family, other than an elderly or disabled family includes a person with disabilities, the PHA must grant an exemption from the employment requirement if the PHA determines that it is needed as a reasonable accommodation.
- The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option

- Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
- Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with 24 CFR 982.631(c).

HACP Policy:

The HACP has the following additional guidelines for a family to be eligible□

1□ Minimum down payment requirement

Each participating family must demonstrate the ability to provide the minimum down payment requirement. Funds that are required cannot come from any outside source; they must come directly from the borrower.

a) At least one percent (1□) of the purchase price must come from the family personal resources.

2□ Other requirements

a) The family must have completed an initial HCV lease term and completed the family's first annual certification in the HCV Program. The family must terminate a current lease agreement in compliance with the lease when transitioning into homeownership.

b) The family must verify that no family member has previously defaulted on a mortgage assisted under the HCV Home Ownership Program.

The head of household and any other adult members that will hold title to the home must successfully complete a counseling program that has been deemed acceptable by the HACP. The HACP may require ongoing counseling for participants in the program. Family members may not owe any debt to the HACP or another HACP.

a) The family must maintain a good tenant standing with its landlord and the HACP. This includes, but is not limited to□

- In compliance with H□D Family Obligations under the HCV Program

- Adhering to the requirements of the lease agreement
- No outstanding debts to the landlord or to any utility company,
- Report all household income
- Passing the most recent □niform Physical Condition Standards for Vouchers (□PCS-V) inspection with no significant tenant caused failure items.

15-VII□C□SELECTION OF FAMILIES □24 CFR 982□626□

□nless otherwise provided (under the homeownership option), the PHA may limit homeownership assistance to families or purposes defined by the PHA and may prescribe additional requirements for commencement of homeownership assistance for a family. Any such limits or additional requirements must be described in the PHA administrative plan.

If the PHA limits the number of families that may participate in the homeownership option, the PHA must establish a system by which to select families to participate.

15-VII□D□ELIGIBLE UNITS □24 CFR 982□628□

In order for a unit to be eligible, the PHA must determine that the unit satisfies all of the following requirements□

- The unit must meet HUD's "eligible housing" requirements. The unit may not be any of the following□
  - A public housing or Indian housing unit,
  - A unit receiving Section 8 project-based assistance,
  - A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services,
  - A college or other school dormitory,
  - On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
- The unit must be under construction or already exist at the time the family enters into the contract of sale.
- The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.
- The unit must have been inspected by the PHA and by an independent inspector designated by the family.
- The unit must meet Housing □uality Standards (see Chapter 8).

- For a unit where the family will not own fee title to the real property (such as a manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.

  HACP Policy:

  The following unit types may be purchased using the HCV Home Ownership Program

  - A one-unit property (single family residence)
  - A single dwelling unit in a cooperative, condominium or planned use development.
  - A manufactured home with a permanent foundation if the family has the right to occupy the same site for a period of at least forty (40) years.
  - The unit must be seller occupied or vacant for at least ninety (90) days; an exception is where the tenants are purchasing the unit in which they have been residing.

For PHA-owned units all of the following conditions must be satisfied□

- The PHA informs the family, both verbally and in writing, that the family has the right to purchase any eligible unit and a PHA-owned unit is freely selected by the family without PHA pressure or steering,
- The unit is not ineligible housing,
- The PHA obtains the services of an independent agency to inspect the unit for compliance with H□S, review the independent inspection report, review the contract of sale, determine the reasonableness of the sales price and any PHA provided financing. All of these actions must be completed in accordance with program requirements.

The PHA must not approve the unit if the PHA has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.

15-VII□E□ADDITIONAL PHA REQUIREMENTS FOR SEARCH AND PURCHASE □24 CFR 982□629□

It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance. The PHA may establish the maximum time that will be allowed for a family to locate and purchase a home and may require the family to report on their progress in finding and purchasing a home. If the family is unable to purchase a home within the maximum time established by the PHA, the PHA may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher.

15-VII.F. HOMEOWNERSHIP COUNSELING [24 CFR 982.630]

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by the PHA. HUD suggests the following topics for the PHA-required pre-assistance counseling:

- Home maintenance (including care of the grounds),
- Budgeting and money management,
- Credit counseling,
- How to negotiate the purchase price of a home,
- How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing,
- How to find a home, including information about homeownership opportunities, schools, and transportation in the PHA jurisdiction,
- Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas,
- Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and
- Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.) (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

The PHA may adapt the subjects covered in pre-assistance counseling (as listed) to local circumstances and the needs of individual families.

The PHA may also offer additional counseling after commencement of homeownership assistance (ongoing counseling). If the PHA offers a program of ongoing counseling for participants in the homeownership option, the PHA shall have discretion to determine whether the family is required to participate in the ongoing counseling.

If the PHA does not use a HUD-approved housing counseling agency to provide the counseling, the PHA should ensure that its counseling program is consistent with the counseling provided under HUD's Housing Counseling program.

HACP Policy:

The HACP may require the family to attend post-purchase counseling one year after the close of escrow and at any time during the term of the homeownership assistance. Counseling topics may include:

- Financial Planning

- Housing □eeping
- Property Maintenance
- Budgeting

15-VII□G □HOME INSPECTIONS, CONTRACT OF SALE, AND PHA DISAPPROVAL OF SELLER □24 CFR 982□631□

Home Inspections

The PHA may not commence monthly homeownership assistance payments for a family until the PHA has inspected the unit and has determined that the unit passes H□S.

An independent professional inspector selected by and paid for by the family must also inspect the unit. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

The PHA may not require the family to use an independent inspector selected by the PHA. The independent inspector may not be a PHA employee or contractor, or other person under control of the PHA. However, the PHA may establish standards for qualification of inspectors selected by families under the homeownership option.

The PHA may disapprove a unit for assistance based on information in the independent inspector's report, even if the unit was found to comply with HQS.

Contract of Sale

Before commencement of monthly homeownership assistance payments, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the PHA a copy of the contract of sale. The contract of sale must□

- Specify the price and other terms of sale by the seller to the purchaser,
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser,
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser,
- Provide that the purchaser is not obligated to pay for any necessary repairs; and
- Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under CFR part 24.

Disapproval of a Seller

In its administrative discretion, the PHA may deny approval of a seller for the same reasons a PHA may disapprove an owner under the regular HCV program (see 24 CFR 982.306(c)).

15-VII.H. FINANCING [24 CFR 982.632]

The PHA may establish requirements for financing purchase of a home under the homeownership option. This may include requirements concerning qualification of lenders, terms of financing, restrictions concerning debt secured by the home, lender qualifications, loan terms, and affordability of the debt. The PHA must establish policies describing these requirements in the administrative plan.

A PHA may not require that families acquire financing from one or more specified lenders, thereby restricting the family's ability to secure favorable financing terms.

HACP Policy:

The family must execute documentation giving the HACP or its designee, the first right of refusal in the event the family decided to sell the home. This document will be in effect during the term of the HAP. The HACP will require the family to include the HACP as additional insured on the homeowner's insurance policy.

15-VII.I. CONTINUED ASSISTANCE REQUIREMENTS; FAMILY OBLIGATIONS [24 CFR 982.633]

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the PHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to the PHA the homeownership assistance for the month when the family moves out.

Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.

The family must comply with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
- The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to 24 CFR 982.551 (h) and (i).

- The family must supply information to the HACP or H□D as specified in 24 CFR 982.551(b). The family must further supply any information required by the PHA or H□D concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
- The family must notify the PHA before moving out of the home.
- The family must notify the PHA if the family defaults on the mortgage used to purchase the home.
- No family member may have any ownership interest in any other residential property.
- The family must comply with the obligations of a participant family described in 24 CFR 982.551, except for the following provisions which do not apply to assistance under the homeownership option□24 CFR 982.551(c), (d), (e), (f), (g) and (j).

15-VII□J□MA□IMUM TERM OF HOMEOWNER ASSISTANCE □24 CFR 982□634□

The time limits below apply to all family members having an ownership interest in the unit during the time that homeownership payments are made; and, the spouse of any member of the household who has an ownership interest in the unit during the time that homeownership payment are made. All families, including families that become elderly during the term of the homeownership assistance are subject to the following maximum terms□

• Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or

• Ten years, in all other cases.

The maximum term described above applies to any member of the family who□

• Has an ownership interest in the unit during the time that homeownership payments are made; or

• Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

□The maximum term of assistance does not apply to elderly or disabled families□

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a

disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.
If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance). If the family has received such assistance for different homes, or from different HACPs, the total of such assistance terms is subject to the maximum term described in this part.

The maximum term described above applies to any member of the family who□

- Has an ownership interest in the unit during the time that homeownership payments are made; or
- Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are being made.

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).

If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.

15-VII□K□HOMEOWNERSHIP ASSISTANCE PA□MENTS AND HOMEOWNERSHIP E□PENSES □24 CFR 982□635□

The monthly homeownership assistance payment is the lower of□

- the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

In determining the amount of the homeownership assistance payment, the PHA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described elsewhere in this plan for the Housing Choice Voucher program. The payment standard for a family is the greater of (i) The payment standard as determined at the commencement of homeownership assistance for occupancy of the home, or (ii) The payment standard at the most

recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

The PHA may pay the homeownership assistance payments directly to the family, or at the PHA's discretion, to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family.

Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, a PHA may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

The PHA must adopt policies for determining the amount of homeownership expenses to be allowed by the PHA in accordance with H□D requirements.

Homeownership expenses (not including cooperatives) only include amounts allowed by the PHA to cover□

- Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home,
- Real estate taxes and public assessments on the home,
- Home insurance,
- The PHA allowance for maintenance expenses,
- The PHA allowance for costs of major repairs and replacements,
- The PHA utility allowance for the home,
- Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person,
- Land lease payments where a family does not own fee title to the real property on which the home is located; □see 24 CFR 982.628(b)□.
- For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.

Homeownership expenses for a cooperative member may only include amounts allowed by the PHA to cover□

- The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home,
- Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt,
- Home insurance,
- The PHA allowance for maintenance expenses,
- The PHA allowance for costs of major repairs and replacements,
- The PHA utility allowance for the home; and
- Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
- Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.
-

15-VII.L. PORTABILITY [24 CFR 982.636, 982.637, 982.353(b) and (c), 982.552, 982.553]

Subject to the restrictions on portability included in HUD regulations and PHA policies, a family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families. The receiving PHA may absorb the family into its voucher program or bill the initial PHA.

The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the PHA.

HACP Policy:

Families issued a homeownership voucher may exercise portability to purchase a unit in another jurisdiction provided the receiving jurisdiction operates a similar

homeownership program for which the applicant qualifies and for which the

receiving PHA is accepting new homeownership families.

1 Incoming portable families

a) May purchase a unit within the jurisdiction of the HACP provided the HACP is accepting new homeownership families at the time of the purchase.

b) Must be under rental assistance in the City of Pittsburg for 12 months prior to application for HCV Homeownership.

c) Must meet the education, counseling, and all other Home Ownership Program requirements of the HACP.

d) Must be certified by the initial HACP that the family is in good standing with that PHA and Landlord.

The HACP must promptly notify the initial PHA if the Family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the Initiating HACP.

2 <u>Outgoing portable families</u>

a) May purchase a unit within the receiving jurisdiction, provided they are accepting new homeownership families at the time of the purchase.

b) Must meet the education, counseling, and all other HOME OWNERSHIP PROGRAM requirements of the receiving HACP.

c) Must be certified by HACP that the family is in good standing with the Initiating HACP and Landlord.

d) The HACP must promptly notify the PHA, if the Family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the HA.

15-VII M MOVING WITH CONTINUED ASSISTANCE 24 CFR 982 637

A family receiving homeownership assistance may move with continued tenant-

based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.

The PHA may deny permission to move to a new unit with continued voucher assistance□

- If the PHA has insufficient funding to provide continued assistance.
- In accordance with 24 CFR 982.638, regarding denial or termination of assistance.
- In accordance with the PHA's policy regarding number of moves within a 12-month period.

The PHA must deny the family permission to move to a new unit with continued voucher rental assistance if□

- The family defaulted on an FHA-insured mortgage; and
- The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by H□D, to H□D or H□D's designee; and the family has moved, or will move, from the home within the period established or approved by H□D.

HACP Policy:

A family receiving HACP homeownership assistance may purchase and move to a new unit with continued Voucher assistance.

1□Purchase of a new unit

A family receiving homeownership assistance may purchase and move to a new unit with continued assistance, provided that the family fulfills all requirements of the Home Ownership Program at the time of the purchase of the new unit.

The following applies to a family purchasing a new unit under the Home Ownership Program.

The family may not be eligible to move with continued assistance for a period of five (5) years after the initial purchase.

The HACP may, at its discretion, require the family to complete a new housing counseling program or receive additional counseling prior to close of escrow.

The requirement that the family must be a first-time homebuyer is not applicable.

The HACP may deny permission to move with continued assistance in the case of lack of funding or if the HACP has denied or terminated assistance

to the family under section 8 below.

2 Sale of original Home Ownership Program unit and return to tenant- based rental assistance

The HACP may, at its discretion, allow a family to return to tenant- based rental assistance. The following applies to a family returning to tenant-based assistance

The HACP may deny permission to move with continued assistance in the case of lack of funding or if the HACP has denied or terminated assistance to the family.

The HACP will not commence continued tenant-based assistance for occupancy of a rental unit so long as any family member owns any title or other interest in the home previously assisted through the Home Ownership Program. In addition, eighteen **(18)** months must have passed since the family's receipt of homeownership assistance.

15-VII N DENIAL OR TERMINATION OF ASSISTANCE 24 CFR 982 638

At any time, the PHA may deny or terminate homeownership assistance in accordance with HCV program requirements in 24 CFR 982.552 (Grounds for denial or termination of assistance) or 24 CFR 982.553 (Crime by family members).

The PHA may also deny or terminate assistance for violation of participant obligations described in 24 CFR Parts 982.551 or 982.633 and in accordance with its own policy, with the exception of failure to meet obligations under the Family Self-Sufficiency program as prohibited under the alternative requirements set forth in FR Notice 12/29/14.

The PHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

HACP Policy:

The HACP may deny or terminate homeownership assistance for the family in accordance with the requirements of this section.

- Failure to report all household income

- Failure to comply with the City of Pittsburg's HCV Homeownership Program requirements
- Failure to comply with any H□D Family Obligations
- The family defaults on the mortgage.

The HACP will not recapture any Homeownership Voucher payments unless there was an act of fraud or misrepresentation of material facts in order to obtain a benefit. The HCV HOME OWNERSHIP PROGRAM recapture provision does not apply to any other program funds that may be used in the transaction.

The HACP shall have the discretion to waive or modify any provision of the HCV Home Ownership Program Policy not governed by statute or regulation for good cause or to comply with changes in H□D regulations or directives.

Chapter 16

PROGRAM ADMINISTRATION

INTRODUCTION

This chapter discusses administrative policies and practices that are relevant to the activities covered in this plan. The policies are discussed in seven parts as described below□

Part I□Administrative Fee Reserve. This part describes the PHA's policies with regard to oversight of expenditures from its administrative fee reserve.

Part II□Setting Program Standards and Schedules. This part describes what payment standards are, and how they are updated, as well as how utility allowances are established and revised.

Part III□Informal Reviews and Hearings. This part outlines the requirements and procedures for informal reviews and hearings, and for informal hearings regarding citizenship status.

Part IV□Owner or Family Debts to the PHA. This part describes policies for recovery of monies that the PHA has overpaid on behalf of families, or to owners, and describes the circumstances under which the PHA will offer repayment agreements to owners and families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

Part V□Section 8 Management Assessment Program (SEMAP). This part describes what the SEMAP scores represent, how they are established, and how those scores affect a PHA.

Part VI□Record-□eeping. All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies the PHA will follow.

Part VII□Reporting and Record □eeping for Children with Elevated Blood Lead Level. This part describes the PHA's responsibilities for reporting, data collection, and record keeping relative to children with elevated blood lead levels that are less than six years of age, and are receiving HCV assistance.

Part VIII□Determination of Insufficient Funding. This part describes the PHA's policies for determining if there is sufficient funding to issue vouchers, to approve moves to higher cost units or areas, and to continue assistance for all participant families.

Part IX□Violence against Women Act (VAWA)□Notification, Documentation, Confidentiality. This part contains key terms used in VAWA and describes requirements related to notifying families and owners about their rights and responsibilities under VAWA; requesting documentation from victims of domestic violence, dating violence, sexual assault, and stalking; and maintaining the confidentiality of information obtained from victims.

PART I: ADMINISTRATIVE FEE RESERVE □24 CFR 982□155□

The PHA will maintain administrative fee reserves, or unrestricted net position (□NP) for the program to pay program administrative expenses in excess of administrative fees paid by H□D for a PHA fiscal year. H□D appropriations acts beginning with FFY 2004 have specified that administrative fee funding may be used only for activities related to the provision of HCV assistance, including related development activities. Notice PIH 2012-9 cites two examples of related development activities□unit modification for accessibility purposes and development of project-based voucher units. The notice makes clear that other activities may also qualify as related development activities. Administrative fees that remain in the □NP account from funding provided prior to 2004 may be used for "other housing purposes permitted by state and local law," in accordance with 24 CFR 982.155(b)(1).

If a PHA has not adequately administered its HCV program, H□D may prohibit use of funds in the □NP Account and may direct the PHA to use funds in that account to improve administration of the program, for HCV HAP expenses, or to reimburse ineligible expenses in accordance with the regulation at 24 CFR 982.155(b)(3).

H□D requires the PHA Board of Commissioners or other authorized officials to establish the maximum amount that may be charged against the □NP account without specific approval.

HACP Policy:

Expenditures from the □NP account will be made in accordance with all applicable federal requirements. Expenditures will not exceed $10,000 per occurrence without the prior approval of the HACP's Board of Commissioners.

PART II: SETTING PROGRAM STANDARDS AND SCHEDULES

16-II.A. OVERVIEW

Although many of the program's requirements are established centrally by HUD, the HCV program's regulations recognize that some flexibility is required to allow the PHA to adapt the program to local conditions. This part discusses how the PHA establishes and updates certain schedules and standards that are used to administer the program locally. Details about how these schedules are applied to individual families are provided in other chapters. The schedules and standards discussed here include:

- *Payment Standards*, which dictate the maximum subsidy a family can receive (application of the payment standards is discussed in Chapter 6); and
- *Utility Allowances*, which specify how a family's payment should be adjusted to account for tenant-paid utilities (application of utility allowances is discussed in Chapter 6).

HACP Policy:

Copies of the payment standard and utility allowance schedules are available for review on the City Website and in the HACP's offices during normal business hours.

Families, owners, and members of the public may submit written comments on the schedules discussed in this part, at any time, for consideration during the next revision cycle.

The HACP will maintain documentation to support its annual review of payment standards and utility allowance schedules. This documentation will be retained for at least 3 years.

Establishing and updating the HACP passbook rate, which is used to calculate imputed income from assets, is covered in Chapter 6 (see Section 6-I.G.).

16-II.B. PAYMENT STANDARDS [24 CFR 982.503; HCV GB, Chapter 7]

The payment standard sets the maximum subsidy payment a family can receive from the PHA each month [24 CFR 982.505(a)]. Payment standards are based on fair market rents (FMRs) published annually by HUD. FMRs are set at a percentile within the rent distribution of standard quality rental housing units in each FMR area. For most jurisdictions FMRs are set at the 40th percentile of rents in the market area.

The PHA must establish a payment standard schedule that establishes payment standard amounts for each FMR area within the PHA's jurisdiction, and for each unit size within each of the FMR areas. For each unit size, the PHA may

establish a single payment standard amount for the whole FMR area, or may set different payment standards for different parts of the FMR area. Unless HUD grants an exception, the PHA is required to establish a payment standard within a "basic range" established by HUD – between 90 and 110 percent of the published FMR for each unit size.

Updating Payment Standards
When HUD updates its FMRs, the PHA must update its payment standards if the standards are no longer within the basic range (24 CFR 982.503(b)). HUD may require the PHA to make further adjustments if it determines that rent burdens for assisted families in the PHA's jurisdiction are unacceptably high 24 CFR 982.503(g).

HACP Policy:
The HACP will review the appropriateness of the payment standards on an annual basis when the new FMR is published, and at other times as determined necessary. In addition to ensuring the payment standards are always within the "basic range" the HACP will consider the following factors when determining whether an adjustment should be made to the payment standard schedule:

- **Funding Availability:** The HACP will review the budget to determine the impact projected subsidy adjustments will have on funding available for the program and the number of families served. The HACP will compare the number of families who could be served under revised payment standard amounts with the number assisted under current payment standard amounts.

- **Rent Burden of Participating Families:** Rent burden will be determined by identifying the percentage of families, for each unit size, that are paying more than 30 percent of their monthly adjusted income as the family share. When 40 percent or more of families, for any given unit size, are paying more than 30 percent of adjusted monthly income as the family share, the HACP will consider increasing the payment standard. In evaluating rent burdens, the HACP will not include families renting a larger unit than their family unit size.

- **Quality of Units Selected:** The HACP will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that payment standard increases are

only made when needed to reach the mid-range of the market.

- **Changes in Rent to Owner** The HACP may review a sample of the units to determine how often owners are increasing or decreasing rents and the average percent of increases/decreases by bedroom size

.

- **Unit Availability:** The HACP will review the availability of units for each unit size, particularly in areas with low concentrations of poor and minority families.

- **Lease-up Time and Success Rate** The HACP will consider the percentage of families that are unable to locate suitable housing before the voucher expires and whether families are leaving the jurisdiction to find affordable housing.

Changes to payment standard amounts will be effective on October 1st of every year unless, based on the proposed FMRs, it appears that one or more of the HACP's current payment standard amounts will be outside the basic range when the final FMRs are published. In that case, the HACPs payment standards will be effective October 1st instead of December 1st.

If the HACP has already processed reexaminations that will be effective on or after October 1st, and the effective date of the payment standards is October 1st, the HACP will make retroactive adjustments to any such reexaminations if the new payment standard amount is higher than the one used by the HACP at the time the reexamination was originally processed.

Exception Payment Standards 982 503(c)

The PHA must request H D approval to establish payment standards that are higher than the basic range. At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the FMR area. H D may approve an exception payment standard amount (in accordance with program requirements) for all units, or for all units of a given size, leased by program families in the exception area. Any PHA with jurisdiction in the exception area may use the H D-approved exception payment standard amount. The total population of all H D-approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area.

Unit-by-Unit Exceptions [24 CFR 982.503(b), 24 CFR 982.505(d), Notice PIH 2010-26]

[U]nit-by-unit exceptions to the PHA's payment standards generally are not permitted. However, an exception may be made as a reasonable accommodation for a family that includes a person with disabilities. (See Chapter 2 for a discussion of reasonable accommodations.) This type of exception does not affect the PHA's payment standard schedule.

When needed as a reasonable accommodation, the PHA may make an exception to the payment standard without H[U]D approval if the exception amount does not exceed 120 percent of the applicable FMR for the unit size [24 CFR 982.503(b)]. The PHA may request H[U]D approval for an exception to the payment standard for a particular family if the required amount exceeds 120 percent of the FMR.

HACP Policy:

A family that requires a reasonable accommodation may request a higher payment standard at the time the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the exception. In order to approve an exception, or request an exception from H[U]D, the HACP must determine that[:]

- There is a shortage of affordable units that would be appropriate for the family,
- The family's TTP would otherwise exceed 40 percent of adjusted monthly income; and
- The rent for the unit is reasonable.

[Success Rate] Payment Standard Amounts [24 CFR 982.503(e)]

If a substantial percentage of families have difficulty finding a suitable unit, the PHA may request a "success rate payment standard" that applies to the entire jurisdiction. If approved by H[U]D, a success rate payment standard allows the PHA to set its payment standards at 90-110 percent of a higher FMR (the 50th, rather than the 40th percentile FMR). To support the request, the PHA must demonstrate that during the most recent 6-month period for which information is available[:]

- Fewer than 75 percent of families who were issued vouchers became participants,
- The PHA had established payment standards for all unit sizes, and for the entire jurisdiction, at 110 percent of the published FMR; and

- The PHA had a policy of allowing voucher holders who made sustained efforts to locate units at least 90 days to search for a unit.

Although HUD approves the success rate payment standard for all unit sizes in the FMR area, the PHA may choose to adjust the payment standard for only some unit sizes in all, or a designated part, of the PHA's jurisdiction within the FMR area.

Decreases in the Payment Standard below the Basic Range [24 CFR 982.503(d)]

The PHA must request HUD approval to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve establishment of a payment standard lower than the basic range. HUD will not approve a lower payment standard if the family share for more than 40 percent of program participants exceeds 30 percent of adjusted monthly income.

16-III.C. UTILITY ALLOWANCES [24 CFR 982.517]

A PHA-established utility allowance schedule is used in determining family share and PHA subsidy. The PHA must maintain a utility allowance schedule for (1) all tenant-paid utilities, (2) the cost of tenant-supplied refrigerators and ranges, and (3) other tenant-paid housing services such as trash collection.

The utility allowance schedule must be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the PHA must use normal patterns of consumption for the community as a whole, and current utility rates.

The utility allowance must include the utilities and services that are necessary in the locality to provide housing that complies with housing quality standards. Costs for telephone, cable/satellite television, and internet services are not included in the utility allowance schedule.

In the utility allowance schedule, the PHA must classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection; other electric; cost of tenant-supplied refrigerator; cost of tenant-supplied range; and other specified housing services.

The cost of each utility and housing service must be stated separately by unit size and type. Chapter 18 of the *HCV Guidebook* provides detailed guidance to the PHA about establishing utility allowance schedules.

Air Conditioning

An allowance for air-conditioning must be provided when the majority of housing units in the market have central air-conditioning or are wired for tenant-installed air conditioners.

> ***HACP Policy:***
> The HACP has now included an allowance for air-conditioning in its schedule.

Reasonable Accommodation

HCV program regulations require a PHA to approve a utility allowance amount higher than shown on the PHA's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, the PHA will approve an allowance for air-conditioning, even if the PHA has determined that an allowance for air-conditioning generally is not needed (See Chapter 2 for policies regarding the request and approval of reasonable accommodations).

Utility Allowance Revisions

The PHA must review its schedule of utility allowances each year and must revise the schedule if there has been a change of 10 percent or more in any utility rate since the last time the allowance for that utility was revised.
The PHA must maintain information supporting its annual review of utility allowance and any revisions made in its utility allowance schedule.

PART III: INFORMAL REVIEWS AND HEARINGS

16-III.A. OVERVIEW

Both applicants and participants have the right to disagree with, and appeal, certain decisions of the PHA that may adversely affect them. PHA decisions that may be appealed by applicants and participants are discussed in this section. The process for applicant appeals of PHA decisions is called the "informal review." For participants (or applicants denied admission because of citizenship issues), the appeal process is called an "informal hearing." PHAs are required to include informal review procedures for applicants and informal hearing procedures for participants in their administrative plans [24 CFR 982.54(d)(12) and (13)].

16-III.B. INFORMAL REVIEWS

Informal reviews are provided for program applicants. An applicant is someone who has applied for admission to the program, but is not yet a participant in the program. Informal reviews are intended to provide a "minimum hearing requirement" [24 CFR 982.554] and need not be as elaborate as the informal hearing requirements [*Federal Register* 60, no. 127 (3 July 1995): 34690].

Decisions Subject to Informal Review

The PHA must give an applicant the opportunity for an informal review of a decision denying assistance [24 CFR 982.554(a)]. Denial of assistance may include any or all of the following [24 CFR 982.552(a)(2)]:

- Denying listing on the PHA waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a lease
- Refusing to process or provide assistance under portability procedures

Informal reviews are *not* required for the following reasons [24 CFR 982.554(c)]:

- Discretionary administrative determinations by the PHA
- General policy issues or class grievances
- A determination of the family unit size under the PHA subsidy standards
- A PHA determination not to approve an extension or suspension of a voucher term
- A PHA determination not to grant approval of the tenancy
- A PHA determination that the unit is not in compliance with the HQS

- A PHA determination that the unit is not in accordance with the H□S due to family size or composition

HACP Policy:

The HACP will only offer an informal review to applicants for whom assistance is being denied. Denial of assistance includes denying listing on the HACP waiting list; denying or withdrawing a voucher; refusing to enter into a HAP contract or approve a lease; refusing to process or provide assistance under portability procedures.

Notice to the Applicant □24 CFR 982□554(a)□

The PHA must give an applicant prompt notice of a decision denying assistance. The notice must contain a brief statement of the reasons for the PHA decision and must also state that the applicant may request an informal review of the decision. The notice must describe how to obtain the informal review.

Scheduling an Informal Review

HACP Policy:

A request for an informal review must be made in writing and delivered to the HACP either in person or by first class mail, by the close of the business day, no later than ***10 business days*** from the date of the HACP's denial of assistance.

The HACP must schedule and send written notice of the informal review within ***10 business days*** of the family's request.

Informal Review Procedures □24 CFR 982□554(b)□

The informal review must be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person. The applicant must be provided an opportunity to present written or oral objections to the decision of the PHA.

Informal Review Decision □24 CFR 982□554(b)□

The PHA must notify the applicant of the PHA's final decision, including a brief statement of the reasons for the final decision.

HACP Policy:

In rendering a decision, the HACP will evaluate the following matters□

- Whether or not the grounds for denial were stated factually in the notice to the family.
- The validity of the grounds for denial of assistance. If the grounds for denial are not specified in the regulations, then the decision to deny assistance will be overturned.

- The validity of the evidence. The HACP will evaluate whether the facts presented prove the grounds for denial of assistance. If the facts prove that there are grounds for denial, and the denial is required by H□D, the HACP will uphold the decision to deny assistance.
- If the facts prove the grounds for denial, and the denial is discretionary, the HACP will consider the recommendation of the person conducting the informal review in making the final decision whether to deny assistance.

The HACP will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed within ***10 business days*** of the informal review, to the applicant and his or her representative, if any, along with proof of mailing.

If the decision to deny is overturned as a result of the informal review, processing for admission will resume.

If the family fails to appear for their informal review, the denial of admission will remain in place and the family will be so notified.

16-III□C□INFORMAL HEARINGS FOR PARTICIPANTS □24 CFR 982□555□

PHAs must offer an informal hearing for certain PHA determinations relating to the individual circumstances of a participant family. A participant is defined as a family that has been admitted to the PHA's HCV program and is currently assisted in the program. The purpose of the informal hearing is to consider whether the PHA's decisions related to the family's circumstances are in accordance with the law, H□D regulations and PHA policies.

The PHA is not permitted to terminate a family's assistance until the time allowed for the family to request an informal hearing has elapsed, and any requested hearing has been completed. Termination of assistance for a participant may include any or all of the following□

- Refusing to enter into a HAP contract or approve a lease
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

Decisions Subject to Informal Hearing

Circumstances for which the PHA ***must give*** a participant family an opportunity for an informal hearing are as follows□

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment

- A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the PHA utility allowance schedule
- A determination of the family unit size under the PHA's subsidy standards
- A determination to terminate assistance for a participant family because of the family's actions or failure to act
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under PHA policy and H□D rules
- A determination to terminate a family's Family Self Sufficiency contract, withhold supportive services, or propose forfeiture of the family's escrow account □24 CFR 984.303(i)□

Circumstances for which an informal hearing **is not required** are as follows□

- Discretionary administrative determinations by the PHA
- General policy issues or class grievances
- Establishment of the PHA schedule of utility allowances for families in the program
- A PHA determination not to approve an extension or suspension of a voucher term
- A PHA determination not to approve a unit or tenancy
- A PHA determination that a unit selected by the applicant is not in compliance with the H□S
- A PHA determination that the unit is not in accordance with H□S because of family size
- A determination by the PHA to exercise or not to exercise any right or remedy against an owner under a HAP contract

HACP Policy:
The HACP will only offer participants the opportunity for an informal hearing when required to by the regulations.

Informal Hearing Procedures
***Notice to the Family* □24 CFR 982□555(c)□**

When the PHA makes a decision that is subject to informal hearing procedures, the PHA must inform the family of its right to an informal hearing at the same time that it informs the family of the decision.

For decisions related to the family's annual or adjusted income, the determination of the appropriate utility allowance, and the determination of the family unit size, the PHA must notify the family that they may ask for an explanation of the basis of the determination, and that if they do not agree with the decision, they may request an informal hearing on the decision.

For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to the PHA's subsidy standards, the notice must contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision, the family may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

HACP Policy:

In cases where the HACP makes a decision for which an informal hearing must be offered, the notice to the family will include all of the following

- The proposed action or decision of the HACP.
- A brief statement of the reasons for the decision, including the regulatory reference.
- The date the proposed action will take place.
- A statement of the family's right to an explanation of the basis for the HACP's decision.
- A statement that if the family does not agree with the decision the family may request an informal hearing of the decision.
- A deadline for the family to request the informal hearing.
- To whom the hearing request should be addressed.
- A copy of the HACP's hearing procedures.

Scheduling an Informal Hearing **24 CFR 982 555(d)**

When an informal hearing is required, the PHA must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

HACP Policy:

A request for an informal hearing must be made in writing and delivered to the HACP either in person or by first class mail, by the close of the business day, no later than ***10 business days*** from the date of the HACP's decision or notice to terminate assistance.

The HACP must schedule and send written notice of the informal hearing to the family within ***10 business days*** of the family's request.

The family may request to reschedule a hearing for good cause, or if it is

needed as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, the HACP may request documentation of the "good cause" prior to rescheduling the hearing.

If the family does not appear within 20 minutes of the scheduled time, and was unable to reschedule the hearing in advance due to the nature of the conflict, the family must contact the HACP within 24 hours of the scheduled hearing date, excluding weekends and holidays. The HACP will reschedule the hearing only if the family can show good cause for the failure to appear, or if it is needed as a reasonable accommodation for a person with disabilities.

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

Participants and the PHA 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 the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

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

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

HACP Policy:

The family will be allowed to copy any documents related to the hearing at a cost of $.25 per page. The family must request discovery of HACP documents no later than 12:00 p.m. 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 the PHA, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

HACP Policy:

The HACP has designated the following to serve as hearing officers:

[Retired Attorneys and Other Department Directors in the City or other Executive Staff not involved in the management or operation of the HACP]

Attendance at the Informal Hearing

HACP Policy:

Hearings may be attended by a hearing officer and the following applicable persons:

- A HACP representative(s) and any witnesses for the HACP
- The participant and any witnesses for the participant
- The participant's counsel or other representative
- Any other person approved by the HACP as a reasonable accommodation for a person with a disability

Conduct at Hearings

The person who conducts the hearing may regulate the conduct of the hearing in accordance with the PHA's hearing procedures [24 CFR 982.555(4)(ii)].

HACP Policy:

The hearing officer is responsible to manage the order of business and to ensure that hearings are conducted in a professional and businesslike manner. Attendees are expected to comply with all hearing procedures established by the hearing officer and guidelines for conduct. Any person demonstrating disruptive, abusive or otherwise inappropriate behavior will be excused from the hearing at the discretion of the hearing officer.

***Evidence* [24 CFR 982.555(e)(5)]**

The PHA and the family must be given the opportunity to present evidence and question any witnesses. In general, all evidence is admissible at an informal hearing. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

HACP Policy:

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

- **Oral evidence** the testimony of witnesses

- **Documentary evidence** a writing which is relevant to the case, for example, a letter written to the HACP. Writings include all forms of recorded communication or representation, including letters, words, pictures, sounds, videotapes or symbols or combinations thereof.

- **Demonstrative evidence** Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.

- **Real evidence** A tangible item relating directly to the case.

Hearsay Evidence is evidence of a statement that was made other than by a witness while testifying at the hearing and that is offered to prove the truth of the matter. Even though evidence, including hearsay, is generally admissible, hearsay evidence alone cannot be used as the sole basis for the hearing officer's decision.

If either the HACP or the family fail to comply with the discovery requirements described above, the hearing officer will refuse to admit such evidence.

Other than the failure of a party to comply with discovery, the hearing officer has the authority to overrule any objections to evidence.

Procedures for Rehearing or Further Hearing

HACP Policy:

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the hearing officer, the action of the HACP will take effect and another hearing will not be granted.

Hearing Officer's Decision **24 CFR 982 555(e)(6)**

The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing.

HACP Policy:

In rendering a decision, the hearing officer will consider the following matters□

HACP Notice to the Family□The hearing officer will determine if the reasons for the HACP's decision are factually stated in the Notice.

Discovery: The hearing officer will determine if the HACP and the family were given the opportunity to examine any relevant documents in accordance with HACP policy.

HACP Evidence to Support the HACP Decision□The evidence consists of the facts presented. Evidence is not a conclusion, and it is not an argument. The hearing officer will evaluate the facts to determine if they support the HACP's conclusion.

Validity of Grounds for Termination of Assistance (when applicable)□The hearing officer will determine if the termination of assistance is for one of the grounds specified in the H□D regulations and HACP policies. If the grounds for termination are not specified in the regulations or in compliance with HACP policies, then the decision of the HACP will be overturned.

The hearing officer will issue a written decision to the family and the HACP no later than ***10 business days*** after the hearing. The report will contain the following information□

Hearing information:

Name of the participant,
Date, time and place of the hearing,
Name of the hearing officer,
Name of the HACP representative; and
Name of family representative (if any).

Bac□ground□A brief, impartial statement of the reason for the hearing.

Summary of the Evidence□The hearing officer will summarize the testimony of each witness and identify any documents that a witness produced in support of his/her testimony and that are admitted into evidence.

Findings of Fact: The hearing officer will include all findings of

fact, based on a preponderance of the evidence. *Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Conclusions: The hearing officer will render a conclusion derived from the facts that were found to be true by a preponderance of the evidence. The conclusion will result in a determination of whether these facts uphold the PHA's decision.

Order: The hearing report will include a statement of whether the PHA's decision is upheld or overturned. If it is overturned, the hearing officer will instruct the PHA to change the decision in accordance with the hearing officer's determination. In the case of termination of assistance, the hearing officer will instruct the PHA to restore the participant's program status.

***Issuance of Decision* [24 CFR 982.555(e)(6)]**

A copy of the hearing must be furnished promptly to the family.

HACP Policy:

The hearing officer will mail a "Notice of Hearing Decision" to the HACP and to the participant on the same day. This notice will be sent by first-class mail. The participant will be mailed the original "Notice of Hearing Decision" and a copy of the proof of mailing. A copy of the "Notice of Hearing Decision" will be maintained in the HACP's file.

***Effect of Final Decision* [24 CFR 982.555(f)]**

The PHA is not bound by the decision of the hearing officer for matters in which the PHA is not required to provide an opportunity for a hearing, decisions that exceed the authority of the hearing officer, decisions that conflict with or contradict HUD regulations, requirements, or are otherwise contrary to federal, state, or local laws.

If the PHA determines it is not bound by the hearing officer's decision in accordance with HUD regulations, the PHA must promptly notify the family of the determination and the reason for the determination.

HACP Policy:

The Executive Director has the authority to determine that the HACP is not bound by the decision of the hearing officer because the HACP was not

required to provide a hearing, the decision exceeded the authority of the hearing officer, the decision conflicted with or contradicted H□D regulations, requirements, or the decision was otherwise contrary to federal, state, or local laws.

In such a case, the HACP will mail a "Notice of Final Decision" to the HACP and the participant on the same day. The "Notice of Final Decision" will be sent by first-class mail. A copy of this notice will be maintained in the HACP's file.

16-III□D□HEARING AND APPEAL PROVISIONS FOR NONCITI□ENS □24 CFR 5□514□

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an informal hearing, not an informal review. Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the □nited States Citizenship and Immigration Services (□SCIS) appeal process. Assistance to a family may not be terminated or denied while the PHA hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the □SCIS appeal process or the PHA informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

Notice of Denial or Termination of Assistance □24 CFR 5□514(d)□

The notice of denial or termination of assistance for noncitizens must advise the family□

- That financial assistance will be denied or terminated and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The family may be eligible for proration of assistance.
- In the case of a participant, the criteria and procedures for obtaining relief under the provisions for preservation of families □24 CFR 5.514 and 5.518□.
- That the family has a right to request an appeal to the □SCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
- That the family has a right to request an informal hearing with the PHA either upon completion of the □SCIS appeal or in lieu of the □SCIS appeal.

- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

USCIS Appeal Process (24 CFR 5.514(e))
When the PHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the PHA must notify the family of the results of the USCIS verification. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide the PHA with a copy of the written request for appeal and the proof of mailing.

HACP Policy:
The HACP will notify the family in writing of the results of the USCIS secondary verification within ***10 business days*** of receiving the results.

The family must provide the HACP with a copy of the written request for appeal and proof of mailing within ***10 business days*** of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the family, with a copy to the PHA, of its decision. When the USCIS notifies the PHA of the decision, the PHA must notify the family of its right to request an informal hearing.

HACP Policy:
The HACP will send written notice to the family of its right to request an informal hearing within ***10 business days*** of receiving notice of the USCIS decision regarding the family's immigration status.

Informal Hearing Procedures for Applicants (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 the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the PHA notice of

denial, or within 30 days of receipt of the SCIS appeal decision.
The informal hearing procedures for applicant families are described below.

Informal Hearing Officer
The PHA must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision. See Section 16-III.C. for a listing of positions that serve as informal hearing officers.

Evidence
The family must be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of the PHA pertaining to the family's eligibility status, or in the possession of the SCIS (as permitted by SCIS requirements), including any records and regulations that may be relevant to the hearing.

> ***HACP Policy:***
> The family will be allowed to copy any documents related to the hearing at a cost of $.25 per page. The family must request discovery of HACP documents no later than
> 12 00 p.m. on the business day prior to the hearing.

The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. The family must also be provided the opportunity to refute evidence relied upon by the HACP, and to confront and cross-examine all witnesses on whose testimony or information the HACP relies.

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.
T
he family is entitled to request an interpreter. pon request, the PHA will provide competent interpretation services, free of charge.

Recording of the Hearing
The family is entitled to have the hearing recorded by audiotape. The PHA may, but is not required to provide a transcript of the hearing.

HACP Policy:
The HACP will not provide a transcript of an audio taped hearing.

Hearing Decision
The PHA 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 SCIS decision on appeal, or in lieu of an appeal to the SCIS, the family may request that the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the PHA notice of termination, or within 30 days of receipt of the SCIS 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))
The PHA must retain for a minimum of 5 years the following documents that may have been submitted to the PHA by the family, or provided to the PHA as part of the SCIS appeal or the PHA informal hearing process

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

PART IV: OWNER OR FAMIL DEBTS TO THE PHA

16-IV.A. OVERVIEW
PHAs are required to include in the administrative plan, policies concerning repayment by a family of amounts owed to the PHA (24 CFR 982.54). This part describes the PHA's policies for recovery of monies owed to the PHA by families or owners.

HACP Policy:

When an action or inaction of an owner or participant results in the overpayment of housing assistance, the HACP holds the owner or participant liable to return any overpayments to the HACP.

The HACP will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.

When an owner or participant refuses to repay monies owed to the HACP, the HACP will utilize other available collection alternatives including, but not limited to, the following□

- Collection agencies
- Small claims court
- Civil lawsuit
- State income tax set-off program

16-IV□B□REPA□MENT POLIC□

Owner Debts to the PHA

HACP Policy:

Any amount due to the HACP by an owner must be repaid by the owner within 30 days of the HACP determination of the debt.

If the owner fails to repay the debt within the required time frame and is entitled to future HAP payments, the HACP will reduce the future HAP payments by the amount owed until the debt is paid in full.

If the owner is not entitled to future HAP payments the HACP may, in its sole discretion, offer to enter into a repayment agreement on terms prescribed by the HACP.

If the owner refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the HO□SING A□THORITY will ban the owner from future participation in the program and pursue other modes of collection.

Family Debts to the PHA

HACP Policy:
Any amount owed to the HACP by an HCV family must be repaid by the family. If the family is unable to repay the debt within 30 days, the HACP will offer to enter into a repayment agreement in accordance with the policies below.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the PHA will terminate assistance in accordance with the policies in Chapter 12 and pursue other modes of collection.

Repayment Agreement [24 CFR 792.103]
The term *repayment agreement* refers to a formal written document signed by a tenant or owner and provided to the PHA in which a tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

General Repayment Agreement Guidelines for Families
Down Payment Requirement

HACP Policy:
Before executing a repayment agreement with a family, the HACP will generally require a down payment of 10 percent of the total amount owed. If the family can provide evidence satisfactory to the HACP that a down payment of 10 percent would impose an undue hardship, the HACP may, in its sole discretion, require a lesser percentage or waive the requirement.

Payment Thresholds
Notice PIH 2017-12 recommends that the total amount that a family must pay each month—the family's monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family's monthly adjusted income. However, a family may already be paying 40 per cent or more of its monthly adjusted income in rent. Moreover, Notice PIH 2017-12 acknowledges that PHAs have the discretion to establish "thresholds and policies" for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

HACP Policy:
The HACP has established the following thresholds for repayment of debts:

- Amounts between $3,000 and the federal or state threshold for criminal prosecution must be repaid within 24 months.
- Amounts between $2,000 and $2,999 must be repaid within 18 months.
- Amounts between $1,000 and $1,999 must be repaid within 12 months.
- Amounts under $1,000 must be repaid within 6 months.

If a family can provide evidence satisfactory to the HACP that the threshold applicable to the family's debt would impose an undue hardship, the HACP may, in its sole discretion, determine that a lower monthly payment amount is reasonable. In making its determination, the HACP will consider all relevant information, including the following□

- The amount owed by the family to the HACP
- The reason for the debt, including whether the debt was the result of family action/inaction or circumstances beyond the family's control
- The family's current and potential income and expenses
- The family's current family share, as calculated under 24 CFR 982.515
- The family's history of meeting its financial responsibilities

Execution of the Agreement

HACP Policy:
Any repayment agreement between the HO□S□NG A□THORITY and a family must be signed and dated by the HO□S□NG A□THORITY and by the head of household and spouse/cohead (if applicable).

Due Dates

HACP Policy:
All payments are due by the close of business on the 15th day of the month. If the 15th does not fall on a business day, the due date is the close of business on the first business day after the 15th.

Late or Missed Payments

HACP Policy:
If a payment is not received by the end of the business day on the date due, and prior approval for the missed payment has not been given by the HACP, the HACP may send the family a delinquency notice giving the

family ***10 business days*** to make the late payment. If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and the HACP may terminate assistance in accordance with the policies in Chapter 12.

If a family receives three delinquency notices for unexcused late payments in a 12-month period, the repayment agreement will be considered in default, and the HACP may terminate assistance in accordance with the policies in Chapter 12.

No Offer of Repayment Agreement

HACP Policy:

The HACP generally may not enter into a repayment agreement with a family if there is already a repayment agreement in place with the family or if the amount owed by the family exceeds the federal or state threshold for criminal prosecution.

Repayment Agreements Involving Improper Payments

Notice PIH 2010-19 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income

- A reference to the items in the family briefing packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the owner the family's monthly share of the rent to owner
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance

PART V: SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (SEMAP)

16-V.A. OVERVIEW

The Section 8 Management Assessment Program (SEMAP) is a tool that allows HUD to measure PHA performance in key areas to ensure program integrity and accountability. SEMAP scores translate into a rating for each PHA as high performing, standard, or troubled. Scores on individual SEMAP indicators, as well as overall SEMAP ratings, can affect the PHA in several ways.

- High-performing PHAs can be given a competitive advantage under notices of funding availability [24 CFR 985.103].
- PHAs with deficiencies on one or more indicators are required to correct the deficiencies and report to HUD [24 CFR 985.106].
- PHAs with an overall rating of "troubled" are subject to additional HUD oversight, including on-site reviews by HUD staff, a requirement to develop a corrective action plan, and monitoring to ensure the successful implementation of the corrective action plan. In addition, PHAs that are designated "troubled" may not use any part of the administrative fee reserve for other housing purposes [24 CFR 985.107].
- HUD may determine that a PHA's failure to correct identified SEMAP deficiencies or to prepare and implement a corrective action plan required by HUD constitutes a default under the ACC [24 CFR 985.109].

16-V.B. SEMAP CERTIFICATION [24 CFR 985.101]

PHAs must submit the HUD-required SEMAP certification form within 60 calendar days after the end of its fiscal year. The certification must be approved by PHA board resolution and signed by the PHA executive director. If the PHA is a unit of local government or a state, a resolution approving the certification is not required, and the certification must be executed by the Section 8 program director.

PHAs with less than 250 voucher units are only required to be assessed every other PHA fiscal year. HUD will assess such PHAs annually if the PHA elects to have its performance assessed on an annual basis; or is designated as "troubled" [24 CFR 985.105].

Failure of a PHA to submit its SEMAP certification within the required time frame will result in an overall performance rating of "troubled."

A PHA's SEMAP certification is subject to HUD verification by an on-site confirmatory review at any time.

Upon receipt of the PHA's SEMAP certification, HUD will rate the PHA's

performance under each SEMAP indicator in accordance with program requirements.

HUD Verification Method
Several of the SEMAP indicators are scored based on a review of a quality control sample selected for this purpose. The PHA or the Independent Auditor must select an unbiased sample that provides an adequate representation of the types of information to be assessed, in accordance with SEMAP requirements (24 CFR 985.2).

If the HUD verification method for the indicator relies on data in the Form-50058 module (formerly known as MTCS) in the PIH Information Center (PIC), and HUD determines that those data are insufficient to verify the PHA's certification on the indicator due to the PHA's failure to adequately report family data, HUD will assign a zero rating for the indicator (24 CFR 985.3).

16-VI.C. SEMAP INDICATORS (24 CFR 985.3 and form HUD-52648)
The table below lists each of the SEMAP indicators, contains a description of each indicator, and explains the basis for points awarded under each indicator. A PHA that expends less than $300,000 in Federal awards and whose Section 8 programs are not audited by an independent auditor is not to be rated under SEMAP indicators 1-7.

SEMAP Indicators
Indicator 1: Selection from the waiting list **Maximum Score: 15** • This indicator shows whether the PHA has written policies in its administrative plan for selecting applicants from the waiting list and whether the PHA follows these policies when selecting applicants for admission from the waiting list. • Points are based on the percent of families that are selected from the waiting list in accordance with the PHA's written policies, according to the PHA's quality control sample.
Indicator 2: Rent reasonableness **Maximum Score: 20** • This indicator shows whether the PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units • Points are based on the percent of units for which the PHA follows its written method to determine reasonable rent and has documented its determination that the rent to owner is reasonable, according to the PHA's quality control sample.

Indicator 3: Determination of adjusted income
Maximum Score: 20

- This indicator measures whether the PHA verifies and correctly determines adjusted income for each assisted family, and where applicable, uses the appropriate utility allowances for the unit leased in determining the gross rent.
- Points are based on the percent of files that are calculated and verified correctly, according to the PHA's quality control sample.

Indicator 4: Utility allowance schedule
Maximum Score: 5

- This indicator shows whether the PHA maintains an up-to-date utility allowance schedule.
- Points are based on whether the PHA has reviewed the utility allowance schedule and adjusted it when required, according to the PHA's certification.

Indicator 5: HQS quality control inspections
Maximum Score: 5

- This indicator shows whether a PHA supervisor reinspects a sample of units under contract during the PHA fiscal year, which meets the minimum sample size requirements for quality control of H□S inspections.
- Points are based on whether the required quality control reinspections were completed, according to the PHA's certification.

Indicator 6: HQS enforcement
Maximum Score: 10

- This indicator shows whether, following each H□S inspection of a unit under contract where the unit fails to meet H□S, any cited life-threatening deficiencies are corrected within 24 hours from the inspection and all other deficiencies are corrected within no more than 30 calendar days from the inspection or any PHA-approved extension.
- Points are based on whether the PHA corrects all H□S deficiencies in accordance with required time frames, according to the PHA's certification.

Indicator 7: Expanding housing opportunities
Maximum Points: 5

- Only applies to PHAs with jurisdiction in metropolitan FMR areas.
- This indicator shows whether the PHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration; informs voucher holders of the full range of areas where they may lease units both inside and outside the PHA's jurisdiction; and supplies a list of landlords or other parties who are willing to

lease units or help families find units, including units outside areas of poverty or minority concentration.

- Points are based on whether the PHA has adopted and implemented written policies in accordance with SEMAP requirements, according to the PHA's certification.

Indicator 8: FMR limit and payment standards
Maximum Points: 5 points

- This indicator shows whether the PHA has adopted a payment standard schedule that establishes payment standard amounts by unit size for each FMR area in the PHA's jurisdiction, that are within the basic range of 90 to 110 percent of the published FMR.
- Points are based on whether the PHA has appropriately adopted a payment standard schedule(s), according to the PHA's certification.

Indicator 9: Annual reexaminations
Maximum Points: 10

- This indicator shows whether the PHA completes a reexamination for each participating family at least every 12 months.
- Points are based on the percent of reexaminations that are more than 2 months overdue, according to data from PIC.

Indicator 10: Correct tenant rent calculations
Maximum Points: 5

- This indicator shows whether the PHA correctly calculates the family's share of the rent to owner.
- Points are based on the percent of correct calculations of family share of the rent, according to data from PIC.

Indicator 11: Pre-contract HQS inspections
Maximum Points: 5

- This indicator shows whether newly leased units pass H□S inspection on or before the effective date of the assisted lease and HAP contract.
- Points are based on the percent of newly leased units that passed H□S inspection prior to the effective date of the lease and HAP contract, according to data from PIC.

Indicator 12: Annual HQS inspections
Maximum Points: 10

- This indicator shows whether the PHA inspects each unit under contract at least annually.

- Points are based on the percent of annual H□S 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.
- 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.

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 H□D 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 50th percentile rent, starting with the second full PHA fiscal year

following initial use of payment standard amounts based on the FMRs set at the 50th percentile.
- Additional points are available to PHAs that have jurisdiction in metropolitan FMR areas and that choose to submit the required data.
- Points are based on whether the data that is submitted meets the requirements for bonus points.

HACP Policy:

The HACP will not annually score or evaluate Indicator # 14 (Family Self Sufficiency Program) or the Deconcentration Bonus. The HACP has never been provided an award or grant to participate in the FSS Program. The Bonus indicator requires a jurisdictional area that is more diverse in income levels & size. The HACP jurisdiction is too small and lacks affordability diversity to measure deconcentration.

PART VI: RECORD KEEPING

16-VI.A. OVERVIEW

The PHA must maintain complete and accurate accounts and other records for the program in accordance with H□D requirements, in a manner that permits a speedy and effective audit. All such records must be made available to H□D or the Comptroller General of the □nited States upon request.
In addition, the PHA must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.

16-VI.B. RECORD RETENTION [24 CFR 982.158]

During the term of each assisted lease, and for at least three years thereafter, the PHA must keep□

- A copy of the executed lease,
- The HAP contract; and
- The application from the family.

In addition, the PHA must keep the following records for at least three years□

- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants,
- An application from each ineligible family and notice that the applicant is not eligible,
- H□D-required reports,
- □nit inspection reports,

- Lead-based paint records as required by 24 CFR 35, Subpart B.
- Accounts and other records supporting PHA budget and financial statements for the program,
- Records to document the basis for PHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and
- Other records specified by H□D.

Notice PIH 2014-20 requires PHAs to keep records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule.

The PHA must keep confidential records of all emergency transfer requested by victims of domestic violence, dating violence, sexual assault, and stalking under the PHA's Emergency Transfer Plan, as well as the outcomes of such requests, and retain the records for a period of three years □24 CFR 5.2002(e)(12)□.
If an informal hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents. For specific requirements, see Section 16-III.D., Retention of Documents.

16-VI□C□RECORDS MANAGEMENT

PHAs must maintain applicant and participant files and information in accordance with the regulatory requirements described below.

HACP Policy:

All applicant and participant information will be kept in a secure location and access will be limited to authorized HACP staff.
HACP staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

Privacy Act Requirements □24 CFR 5□212 and Form-9886□

The collection, maintenance, use, and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants must be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of Federal, State, and local law.
Applicants and participants, including all adults in the household, are required to sign a consent form, H□D-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions H□D or the PHA may release the information collected.

Upfront Income Verification (UIV) Records

PHAs that access UIV data through HUD's Enterprise Income Verification (EIV)

system are required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the H□D-issued document, *Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification data.*

HACP Policy:
Prior to utilizing HUD's EIV system, the HACP will adopt and implement EIV security procedures required by H□D.

Criminal Records
The PHA may only disclose the criminal conviction records which the PHA receives from a law enforcement agency to officers or employees of the PHA, or to authorized representatives of the PHA who have a job-related need to have access to the information □24 CFR 5.903(e)□.

The PHA must establish and implement a system of records management that ensures that any criminal record received by the PHA from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation □24 CFR 5.903(g)□.

The PHA must establish and implement a system of records management that ensures that any sex offender registration information received by the PHA from a State or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation. However, a record of the screening, including the type of screening and the date performed must be retained □Notice PIH 2012-28□. This requirement does not apply to information that is public information or is obtained by a PHA other than under 24 CFR 5.905.

Medical/Disability Records
PHAs are not permitted to inquire about the nature or extent of a person's disability. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA should not place this information in the tenant file. The PHA should destroy the document.

Documentation of Domestic Violence, Dating Violence, Sexual Assault, or Stal□ing

For requirements and PHA policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, or stalking, see section 16-IX.E.

PART VII: REPORTING AND RECORD KEEPING FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL

16-VII.A. OVERVIEW

The PHA has certain responsibilities relative to children with elevated 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 the PHA is subject to.

16-VII.B. REPORTING REQUIREMENT [24 CFR 35.1225(e)]

The PHA must report the name and address of a child identified as having an elevated blood lead level to the public health department within 5 business days of being so notified by any other medical health care professional.

HACP Policy:

The HACP will provide the public health department written notice of the name and address of any child identified as having an elevated blood lead level.

16-VII.C. DATA COLLECTION AND RECORD KEEPING [24 CFR 35.1225(f)]

At least quarterly, the PHA 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 elevated blood lead level.

If the PHA obtains names and addresses of elevated blood lead level children from the public health department(s), the PHA 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, the PHA must carry out the notification, verification, and hazard reduction requirements discussed in Chapter 8, and the reporting requirement discussed above.

At least quarterly, the PHA 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.

HACP Policy:

The public health department(s) has stated they **do not** wish to receive a report of an updated list of the addresses of units receiving assistance under the HCV program, on a quarterly basis. Therefore, the HACP is not

providing such a report. The public health department(s) has stated they will release information solely at their discretion, the names and/or a addresses of children less than 6 years old with an elevated blood lead level to the HACP.

PART VIII: DETERMINATION OF INSUFFICIENT FUNDING

16-VIII.A. OVERVIEW

The HCV regulations allow PHAs to deny families permission to move and to terminate Housing Assistance Payments (HAP) contracts if funding under the consolidated ACC is insufficient to support continued assistance (24 CFR 982.354(e)(1) and 982.454). If a PHA denies a family a portability move based on insufficient funding, the PHA is required to notify the local HUD office within ***10 business days*** (24 CFR 982.354). The requirements found in this notice are mandatory. Insufficient funding may also impact the PHA's ability to issue vouchers to families on the waiting list. The PHA will deny a family permission to move on grounds that the PHA does not have sufficient funding for continued assistance if (a) the move is initiated by the family, not the owner or the PHA; (b) the PHA can demonstrate that the move will, in fact, result in higher subsidy costs; (c) the PHA can demonstrate 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 the PHA's jurisdiction as well as to moves outside it under portability.

This following part discusses the methodology the PHA will use to determine whether or not the PHA has sufficient funding to issue vouchers, approve moves, and to continue subsidizing all families currently under a HAP contract.

16-VIII.B. METHODOLOGY

HACP Policy:

The HACP will determine whether there is adequate funding to issue vouchers, approve moves to higher cost units and areas, and continue subsidizing all current participants by comparing the HACP's annual budget authority to the annual total HAP needs on a monthly basis. The total HAP needs for the calendar year will be projected by establishing the actual HAP costs year to date. To that figure, the HACP will add anticipated HAP expenditures for the remainder of the calendar year. Projected HAP expenditures will be calculated by multiplying the projected number of units leased per remaining months by the most current month's average HAP. The projected number of units leased per month will take

into account the average monthly turnover of participant families. If the total annual HAP needs equal or exceed the annual budget authority, or if the HACP cannot support the cost of the proposed subsidy commitment (voucher issuance or move) based on the funding analysis, the HACP will be considered to have insufficient funding.

If the HACP does not have sufficient funding for continued assistance, but the family must move from their unit (e.g., the unit failed H□S), the family may move to a higher cost unit if the move is within the HACP's jurisdiction. The HACP, 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 the HACP's jurisdiction and outside under portability, the HACP will not deny a move due to insufficient funding if the HACP previously approved the move and subsequently experienced a funding shortfall if the family cannot remain in their current unit. The HACP will rescind the voucher in this situation if the family will be allowed to remain in their current unit.

The HACP will create a list of families whose moves have been denied due to insufficient funding. The HACP will keep the family's request open indefinitely, and, when funds become available, the families on this list will take precedence over families on the waiting list. The HACP will use the same procedures for notifying families with open requests to move.

PART I□: VIOLENCE AGAINST WOMEN ACT (VAWA): NOTIFICATION, DOCUMENTATION, CONFIDENTIALIT□

16-I□□A□OVERVIEW

The Violence against Women Act of 2013 (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault and stalking who are applying for or receiving assistance under the housing choice voucher (HCV) program. If your state or local laws provide greater protection for such victims, those laws apply in conjunction with VAWA.

In addition to definitions of key terms used in VAWA, this part contains general VAWA requirements and PHA policies in three areas□notification, documentation, and confidentiality. Specific VAWA requirements and PHA policies are located primarily in the following sections□3-I.C, "Family Breakup and Remaining Member of Tenant Family"; 3-III.G, "Prohibition against Denial of Assistance to Victims of Domestic Violence, Dating Violence, and Stalking"; 10-I.A, "Allowable Moves"; 10-I.B, "Restrictions on Moves"; 12-II.E, "Terminations Related to Domestic Violence, Dating Violence, or Stalking"; and 12-II.F, "Termination Notice."

16-I□B□DEFINITIONS □24 CFR 5□2003, 42 USC 13925□

As used in VAWA□

- The term *bifurcate* means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.
- The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and 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
- The term *domestic violence* includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by 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.
- 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.
- The term *sexual assault* means□
  - Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks the capacity to consent
- 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.
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16-I□C□NOTIFICATION □24 CFR 5□2005(a)□

Notification to Public

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

HACP Policy:

The HACP will post the following information regarding VAWA in its offices and on its website. It will also make the information readily available to anyone who requests it.

A copy of the 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 (Form H□D-5380, see Exhibit 16-1)

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

A copy of the HACP'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 H□D-5383 (Exhibit 16-4)

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 applicants and participants of their rights under VAWA, including their right to confidentiality and the limits thereof, when they are denied assistance, when they are admitted to the program, and when they are notified of an eviction or termination of housing benefits.

HACP Policy:

The HACP will provide all applicants with information about VAWA at the time they request an application for housing assistance, as part of the written briefing packet, and at the time the family is admitted to the program. The HACP will also include information about VAWA in all notices of denial of assistance (see section 3-III.G).

The HACP will provide all participants with information about VAWA at the time of admission (see section 5-I.B) and at annual reexamination. The HACP 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.

The PHA is not limited to providing VAWA information at the times specified in the above policy. If the PHA decides to provide VAWA information to a participant following an incident of domestic violence, Notice PIH 2017-08 cautions against sending the information by mail, since the abuser may be monitoring the mail. The notice recommends that in such cases the PHA make alternative delivery arrangements that will not put the victim at risk.

HACP Policy:

Whenever the HACP has reason to suspect that providing information about VAWA to a participant might place a victim of domestic violence at risk, it will attempt to deliver the information by hand directly to the victim or by having the victim come to an office or other space that may be safer for the individual, making reasonable accommodations as necessary. For example, the HACP may decide not to send mail regarding VAWA protections to the victim's unit if the HACP believes the perpetrator may have access to the victim's mail, unless requested by the victim.

When discussing VAWA with the victim, the HACP will take reasonable precautions to ensure that no one can overhear the conversation, such as having conversations in a private room.

The victim may, but is not required to, designate an attorney, advocate, or other secure contact for communications regarding VAWA protections.

Notification to Owners and Managers

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

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

The VAWA information provided to owners will consist of the notice in Exhibit 16-5 and a copy of form H□D-5382, Certification of Domestic Violence, Dating Violence, and Stalking and Alternate Documentation.

16-I□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. The PHA may extend this time period at its discretion. □24 CFR 5.2007(a)□

The individual may satisfy the PHA's request by providing any one of the following three forms of documentation □24 CFR 5.2007(b)□□

(1) A completed and signed H□D-approved certification form (H□D-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim. The form may be filled out and submitted on behalf of the victim.

(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.

The PHA 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□.

HACP 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.

The HACP may, in its discretion, extend the deadline for ***10 business days***. In determining whether to extend the deadline, the HACP will consider factors that may contribute to the victim's inability to provide documentation in a timely manner, including cognitive limitations, disabilities, limited English proficiency, absence from the unit, administrative delays, the danger of further violence, and the victim's need to address health or safety issues. Any extension granted by the HACP will be in writing.

Once the victim provides documentation, the HACP will acknowledge receipt of the documentation within ***10 business days***.

Conflicting Documentation (24 CFR 5.2007(e))

In cases where the PHA 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, the PHA may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (forms 2 and 3). The PHA may also request third-party documentation when submitted documentation contains information that conflicts with existing information already available to the PHA. Individuals have 30 calendar days to return third-party verification to the PHA. If the PHA does not receive third-party documentation, and the PHA will deny or terminate assistance as a result, the PHA must hold separate hearings for the tenants (Notice PIH 2017-08).

The PHA must honor any court orders issued to protect the victim or to address the distribution of property.

HACP Policy:

If presented with conflicting certification documents from members of the same household, the HACP 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(e) and by following any HUD guidance on how such determinations should be made.

When requesting third-party documents, the HACP will provide contact information for local domestic violence and legal aid offices. In such cases, applicants or tenants will be given 30 calendar days from the date of the request to provide such documentation.

If the HACP does not receive third-party documentation within the required timeframe (and any extensions) the HACP will deny VAWA protections and will notify the applicant or tenant in writing of the denial. If, as a result, the applicant or tenant is denied or terminated from the program, the HACP will hold separate hearings for the applicants or tenants.

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

The PHA 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). HUD recommends documentation in a confidential manner when a verbal statement or other evidence is accepted.

HACP Policy:

If the HACP accepts an individual's statement or other corroborating evidence (as determined by the victim) of domestic violence, dating violence, sexual assault or stalking, the HACP 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 the PHA may allow, the PHA may deny relief for protection under VAWA.

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

All information provided to the PHA regarding domestic violence, dating violence, sexual assault or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence. This means that the PHA (1) may not enter the information into any shared database, (2) may not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and (3) may not provide the information to any other entity or individual, except to the extent that the disclosure is (a) requested or consented to by the individual in writing, (b) required for use in an eviction proceeding, or (c) otherwise required by applicable law.

HACP Policy:
If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, the HACP will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

16-I□F□HOUSING CHOICE VOUCHER PROGRAM TEMPORAR□ CHANGES TO POLICIES AND PROCEDURES IN RESPONSE TO COVID-19

H□D has facilitated the adoption of specific waiver authority by PHAs in an effort to ensure operations are not impacted and families can continue to be served during the Shelter in Place Order by the Public Health Director and Emergency Declarations made by the Governor of California and the President of the □nited States.

Pursuant to **PIH Notice 2020-05** issued on April 10, 2020, HACP has adopted the following waivers and modified its policies and procedures to implement said waivers. These waivers were adopted effective April 14,2020 and expire as indicated below

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1□PH □ HCV - 3: Family Income and Composition□Annual Examination-Income Verification requirements

H□D is waiving the requirement that PHAs must use the income hierarchy described by PIH Notice 2018-18. H□D will allow PHAs to forgo third-party income verification requirements for annual reexaminations, including the use of EIV, if a PHA opts to conduct annual recertifications rather than delaying them. PHAs may consider self-certification as the highest form of income verification to process annual reexaminations. This may occur over the telephone (but must be documented for the written record by PHA staff), through an email or postal mail with a self-certification form by the tenant, or through other electronic communication. Income and family composition examinations and recertifications do not have to be conducted in-person.

HACP Policy Change:
HACP will consider written and verbal self-declarations submitted by household adults as primary verification of income and process reexaminations based on the self-certification. Where available, third-party verification will be accepted to augment or support the self-certification. The H□D Hierarchy and Techniques is suspended and will not be in effect during the H□D declared period.

Expires□□uly 31, 2020

2□PH □ HCV - 4: Family Income and Composition□Interim Examinations

H□D is waiving the requirements to use the income hierarchy described by PIH Notice 2018-18 and will allow PHAs to forgo third-party income verifications, including EIV. PHAs may consider self-certification as the highest form of income verification for interim reexaminations. Interim reexaminations are not required to be held in-person.

***HACP Policy Change*:** HACP will consider written and verbal self-declarations submitted by household adults as primary verification of income and process reexaminations based on the self-certification. Where available, third-party verification will be accepted to augment or support the self-certification. The H□D Hierarchy and Techniques is suspended and will not be in effect during the H□D declared period.

Expires□□uly 31, 2020

3□PH □ HCV - 5: Enterprise Income Verification (EIV) Monitoring

H□D is waiving mandatory EIV monitoring requirements found in PIH Notice 2018-18 through □uly 31, 2020.

Policy Change:
HACP did not adopt this waiver

Expires□□uly 31, 2020

4□PH □ HCV - 6: Family Self-Sufficiency (FSS) Contract of Participation□ Contract Extension

H□D will consider the circumstances surrounding COVID-19 to qualify as “good cause” to extend a family’s contract of participation in the FSS program for no more than 2 years through December 31, 2020.

Policy Change:
HACP did not adopt this waiver
Expires□December 31, 2020

5□HQS - 1: Initial Inspection Requirements

A PHA may rely on the owner’s certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit instead of conducting an initial inspection. A PHA may add other requirements or conditions to the owner’s certification. The PHA is required to conduct an HQS

inspection on the units as soon as reasonably possible, but no later than October 31, 2020. The waiver may also apply to PHA-owned units.

Policy Change:
HACP did not adopt this waiver HACP shall continue to conduct in-person initial inspections where possible.

Expires uly 31, 2020

6 HQS - 2: Project-Based Voucher (PBV) Pre-HAP Contract Inspections, PHA Acceptance of Complete Units

A PHA may rely on the owner's certification that the owner that has no reasonable basis to have knowledge that life-threatening conditions exist in the unit. A PHA may add other requirements. The PHA must conduct an H S inspection no later than October 31,2020 but must do so as soon as reasonably possible. If there's a requirement under the Agreement to enter into a Housing Assistance Payment (AHAP) contract for newly constructed or rehabilitated projects, the PHA may choose to allow the owner to certify that the PHA requirement has been met. The waiver may also apply to PHA-owned units, if the independent entity is unable to perform the inspection.

Policy Change:
HACP did not adopt this waiver

Expires October 31,2020

7 HQS - 5: Biennial Inspections

H D is waiving the requirement that PHAs inspect the unit not less than biennially (certain small, rural PHAs may inspect units triennially). All delayed biennial inspections must be completed as soon as reasonably possible, but no later than October 31, 2020. This waiver may be applied to PHA-owned units if the independent entity is unable to perform the inspection.

HACP Policy Change:
All Annual/Biennial inspections will be postponed until COVID-19 restrictions are lifted. HACP will document all tenant files with a flyer to document this delay. Once restrictions are lifted all delayed H S inspections will be conducted by October 31,2020 or alternative date as determined by H D.

Expires December 31, 2021

8 HQS - 6: Interim Inspections

The waiver states that if an H S reported deficiency is life-threatening, the PHA must notify the owner of the reported life-threatening deficiency and the owner must correct it within 24 hours of the PHA notification or provide documentation that the deficiency does not exist. For non-life-threatening deficiencies, the PHA must notify the owner within 30 days and the owner must either make the repair or document that the deficiency does not exist within 30 days of the PHA notification. The PHA may add other requirements. The PHA is not required to conduct an on-site inspection to verify the repairs have been made, but may rely on alternative verification methods (photos, tenant certification, etc.). This waiver may apply to PHA-owned units where the independent entity is unable to perform the inspection.

Policy Change:
HACP did not adopt this waiver
HACP shall continue to conduct in-person Interim inspections where possible.

Expires uly 31, 2020

9 HQS - 7: PBV Turnover Unit Inspections

The Department is waiving the regulation that requires a PBV unit inspection before the unit is leased to a new family. The PHA may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit. The PHA may add other requirements. The waiver may be applied to PHA-owned units if the independent entity is unable to complete inspections.

Policy Change:
HACP did not adopt this waiver. HACP shall continue to conduct in-person initial inspections where possible.
Expires uly 31, 2020

10 HQS - 8: PBV HAP Contract – HQS Inspections to Add or Substitute Units

The Department is waiving the H S inspection requirement when substituting or adding a new unit to a PBV HAP contract. Instead, the PHA may rely on the owner's certification that the owner has no reasonable basis to have knowledge that life-threatening conditions exist in the unit. The PHA may add other conditions. The waiver may also be applied to PHA-owned units.

Policy Change:

16-47

HACP did not adopt this waiver

Expires□□uly 31, 2020

11□HQS - 9: HQS Quality Control Inspections

H□D is waiving its supervisory quality control inspections until October 31, 2020.

HACP Policy Change:
HACP will not conduct monthly quality control inspections of completed inspections. HACP will resume □C Inspections in November 2020 or alternative date as determined by H□D. Expires□October 31, 2020

12□HQS - 10: HQS Space and Security

H□D is waiving the regulation requiring one bedroom for every two people where the PHA wishes to assist a current participant that needs to add a member or members to the assisted household as a result of the COVID-19 emergency. This waiver does not apply to an initial or new lease.

Policy Change:
HACP did not adopt this waiver

Expires□Current Lease Term or One Year from the date of the H□D Notice - April 09, 2021

13□HQS - 11: Homeownership Option – Initial HQS Inspection

H□D is waiving the requirement for an initial H□S inspection before commencing monthly homeownership assistance payments. The family is still required to obtain an independent professional inspector and the PHA is still required to review the independent inspection and has discretion to disapprove the unit because of the contents of the inspection report.

***HACP Policy Change*:**
HACP will continue to review the Home Inspection to ensure compliance to physical standards. However, H□S inspections will not be done by HACP until H□D imposed expiration of this provision.

Expires□□uly 31, 2020

14□HCV - 1: Administrative Plan

HUD is waiving the requirement that a PHA's administrative plan must be formally adopted by a PHA's board. Must be formerly adopted as practicable following □une 30, 2020, but no later than □uly 31, 2020.

HACP Policy Change:
HACP will update the Administrative Plan as needed and required by H□D where permitted without Board of Commissioners approval and will bring all changes implemented to the Board by the H□D determined deadline.

Expires□□une 30, 2020 and must be presented to the Board by □uly 31, 2020.

15□HCV - 2: Information When Family Is Selected – PHA Oral Briefing

H□D is waiving the requirement that the PHA must give an oral briefing to families in the HCV and PBV programs. The PHA must instead conduct the briefing by other means such as webcast, video call, expanded information packet. The PHA must ensure that the method of communication for the briefing effectively communicates with each family member, including those with vision, hearing, and other communication-related disabilities and those with persons with limited English proficiency.

HACP Policy Change:
HACP shall conduct briefings for new participants and households moving to other units by telephone or other electronic means and refer them to our website for the briefing packet or mail it to the family to have and follow along with staff during the phone briefing tenant file will be documented with the date and time of the remote briefing and how the briefing packet was provided to them.

Expires□□uly 31, 2020

16□HCV - 3: Term of Voucher – Extensions of Term H□D is waiving the requirement the voucher term extensions must be in accordance with the PHA administrative plan.

HACP Policy Change:
HACP already has a liberal policy of granting voucher extensions especially as a result of its restrictive rental market. HACP is waiving the requirement that the family provide evidence of their housing search in order to be granted an extension of their voucher search period.

Expires□□uly 31, 2020

17□HCV - 4: PHA Approval of Assisted Tenancy – When HAP Contract is Executed

16-49

H□D is waiving the regulatory requirement that the HAP contract may not be executed 60 days after the lease term begins and will instead allow PHAs to execute the HAP contract after the 60-day deadline has passed and make housing assistance payments retroactive to the beginning of the lease term. However, the PHA and owner must execute the HAP contract no later than 120 days from the beginning of the lease term.

Policy Change:
HACP did not adopt this waiver

Expires□□uly 31, 2020

18□HCV - 5: Absence From Unit

The Department is waiving the requirement that a voucher family may not be absent from a unit for a period of more than 180 consecutive calendar days. The PHA has discretion whether to continue the HAP contract in this situation and not terminate due to extenuating circumstances (e.g., hospitalization, extended stays at nursing homes, or caring for family members). The period of availability to continue making these HAP payments despite the family's absence ends on December 31, 2020. The PHA may not make payments after this date if the family is absent and the HAP contract will terminate.

Policy Change:
HACP did not adopt this waiver

Expires□December 31, 2020

19□HCV - 6: Automatic Termination of HAP Contract

The Department is waiving the requirement to terminate a HAP contract 180 days after a housing assistance payment is reduced to $0. This is in recognition that the COVID-19 emergency may cause the temporary addition of household members which causes the calculation of HAP to reach $0. As an alternative requirement, the PHA, following a written notice to the owner and family, may extend the period of time following the last payment to the owner that triggers the automatic termination.

Policy Change:
HACP did not adopt this waiver

Expires□December 31, 2020

20□HCV - 7: Increase in Payment Standard under HAP contract term

The Department is waiving the requirement that if a payment standard is increased during the term of a HAP contract, the increased payment standard shall not be effective until the family's first regular reexamination. Instead, the increased payment standard may be effective at any time (e.g., interim reexamination, owner rent increase) after the effective date as long as it is not later than the family's first regular reexamination.

Policy Change:
HACP did not adopt this waiver

Expires□December 31, 2020

21□PHAS, SEMAP and Financial Reporting Standards (b): SEMAP (Section Eight Management Assessment Program)

H□D will not issue SEMAP scores that are pending or for fiscal years ending in 2020 unless a PHA requests a SEMAP score. H□D will, instead, carry forward the PHAs most recent SEMAP score on record.

HACP Policy Change:
HACP will not submit a SEMAP score for FY2020. It will request that H□D carry forward their SEMAP score from 2019 which indicated that HACP was a High Performer for its Housing Choice Voucher Program.

Expires□March 31, 2021

22□Other Waivers (a): PHA Reporting Requirements on HUD Form 50058

H□D is waiving the requirement that PHAs must submit form H□D-50058 60 calendar days after any action recorded on line 2b for transactions impacted by implemented waivers and alternative requirements. Through December 31, 2020, PHAs will have 90 days to submit their form H□D-50058 after the effective date of action to H□D. Although the waiver provides up to 90 days to submit form H□D-50058, H□D encourages PHAs that have operational capacity to continue submitting form H□D-50058 within the normal 60-day timeframe. H□D will issue guidance in the near future that will provide PHAs with workarounds to ensure that the delayed submission of form H□D-50058 does not cause any fatal errors in the IMS-PIC system.

Policy Change:
HACP did not adopt this waiver

Expires December 31,2020

23 Repayment Agreements

Families are required to make repayments on unreported income or non-payment of rent on Repayment Agreements executed between the tenant and /or and HACP. HACP recognizes that COVID-19 has resulted in many households having their monthly income affected by loss of employment, layoff or reduction in hours worked.

HACP Policy Change:
In the event of hardship, HACP shall suspend a households repayment agreement until uly 31,2020 or alternative deadline for temporary waivers as determined by H D.

Expires uly 31,2020

E□HIBIT 16-1: SAMPLE NOTICE OF OCCUPANC□ RIGHTS UNDER THE VIOLENCE AGAINST WOMEN ACT, FORM HUD-5380

□HACP of the City of Pittsburg□

Notice of Occupancy Rights under the Violence Against Women Act1

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.2 The □.S. Department of Housing and □rban Development (H□D) is the federal agency that oversees that the housing choice voucher program is in compliance with VAWA. This notice explains your rights under VAWA. A H□D-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 the housing choice voucher program**,** 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

If you are receiving assistance under the housing choice voucher program**,** 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 the housing choice voucher program 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

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

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

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

The PHA 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 the PHA chooses to remove the abuser or perpetrator, the PHA 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, the PHA 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 H□D housing program covered by VAWA or find alternative housing.

In removing the abuser or perpetrator from the household, the PHA must follow federal, state, and local eviction procedures. In order to divide a lease, the PHA 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

□pon your request, the PHA 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, the PHA 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. **□ou are a victim of domestic violence, dating violence, sexual assault, or stal□ing□** 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. **□ou 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.

The PHA 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.

The PHA's emergency transfer plan provides further information on emergency transfers, and the PHA 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

The PHA 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 the PHA must be in writing, and the PHA 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. The PHA 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 the PHA as documentation. It is your choice which of the following to submit if the PHA 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 the PHA 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 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 the PHA has agreed to accept.

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

If the PHA 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), the PHA 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, the PHA does not have to provide you with the protections contained in this notice.

Confidentiality

The PHA 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.

The PHA must not allow any individual administering assistance or other services

on behalf of the PHA (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.

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

- You give written permission to the PHA to release the information on a time limited basis.
- The PHA 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 the PHA or your landlord to release the information.

VAWA does not limit the PHA'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, the PHA 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 the PHA 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.

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

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 **San Francisco HUD field office**.

For Additional Information

You may view a copy of HUD's final VAWA rule at: https://www.gpo.gov/fdsys/pkg/FR-2016-11-16/pdf/2016-25888.pdf.

Additionally, the PHA 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**

EXHIBIT 16-2: CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING AND ALTERNATE DOCUMENTATION, FORM HUD-5382

CERTIFICATION OF DOMESTIC VIOLENCE U.S. Department of Housing and Urban Development OMB Approval No. 2577-0286 Exp. 06/30/2017

DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, AND ALTERNATE DOCUMENTATION

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 B□ OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE, DATING VIOLENCE, SE□UAL ASSAULT, OR STALKING

1□ Date the written request is received by victim:

□□□

5□ Residence of victim:

□□□

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 Budget control number.

E□HIBIT 16-3: EMERGENC□ TRANSFER PLAN FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SE□UAL ASSAULT, OR STALKING (HCV VERSION)

Attachment□Certification form H□D-5382

□Insert name of covered housing provider□

Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stal□ing

Housing Choice Voucher Program

Emergency Transfers

The PHA 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),1 the PHA allows tenants who are victims of 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.2 The ability of the PHA 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 the PHA 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 □.S. Department of Housing and □rban Development (H□D), the federal agency that oversees that the **public housing and housing choice voucher (HCV) programs** are in compliance with VAWA.

Eligibility for Emergency Transfers

1Despite 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.

2Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. H□D-assisted and H□D-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in H□D'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.

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

To request an emergency transfer, the tenant shall notify the PHA's management office and submit a written request for a transfer to **any PHA office**. The HACP 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 the PHA'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.

Confidentiality

The PHA 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 the PHA's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

Emergency Transfer Timing and Availability

The PHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The PHA 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. The PHA may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the PHA has no safe and available units for which a tenant who needs an emergency transfer is eligible, the PHA 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, the PHA 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.

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, the PHA will assist you to move to a safe unit quickly using your existing voucher assistance. The PHA will make exceptions to program regulations restricting moves as required.

At your request, the PHA 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 the PHA

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

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 the PHA

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

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.

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/.

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.

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

E□HIBIT 16-4: EMERGENC□ TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SE□UAL ASSAULT, OR STALKING, FORM HUD-5383

EMERGENC□ TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SE□UAL ASSAULT, OR STALKING

U□S□Department of Housing and Urban Development

OMB Approval No. 2577-0286
Exp. 06/30/2017

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. □sing 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) □ou are a victim of domestic violence, dating violence, sexual assault, or stal□ing□ 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 H□D-5382, or any one of the other types of documentation listed on that Form.

(2) □ou 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) □ou 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

□ou 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 B□ OR ON BEHALF OF THE PERSON REQUESTING A TRANSFER

1□ Name of victim requesting an emergency transfer:

□□□

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.

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)

MODEL OWNER NOTIFICATION OF RIGHTS AND OBLIGATIONS

Insert Name of Housing Provider

NOTIFICATION OF OUR RIGHTS AND OBLIGATIONS

UNDER THE VIOLENCE AGAINST WOMEN ACT (VAWA)

VAWA provides protections for Section 8 Housing Choice Voucher (HCV) and PBV applicants, tenants, and participants from being denied assistance on the basis or as a direct result of being a victim of domestic violence, dating violence, sexual assault and stalking.

Purpose

Many of VAWA's protections to victims of domestic violence, dating violence, sexual assault and stalking involve action by the public housing agency (HACP), but some situations involve action by owners of assisted housing. The purpose of this notice (herein called "Notice") is to explain your rights and obligations under VAWA, as an owner of housing assisted through **insert name of housing provider** HCV program. Each component of this Notice also provides citations to HUD's applicable regulations.

Denial of Tenancy

Protections for applicants: Owners cannot deny tenancy based on the applicant having been or currently being a victim of domestic violence, dating violence, sexual assault, or stalking. However, the applicant must be otherwise eligible for tenancy. (See 24 Code of Federal Regulations (CFR) 982.452(b)(1).)

Eviction

Protections for HCV participants: Incidents or threats of domestic violence, dating violence, sexual assault, or stalking will not be considered a serious or repeated lease violation by the victim, or good cause to terminate the tenancy of the victim (24 CFR 5.2005(c)). Protection also applies to criminal activity related directly to domestic violence, dating violence, sexual assault, or stalking, conducted by a member of a tenant's household or any guest or other person under the tenant's control, if the tenant or an affiliated individual of the tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking (24 CFR 5.2005(b)(2)).

***Limitations of VAWA protections**:*

a. Nothing in the VAWA Final Rule limits the authority of an owner, when notified of a court order, to comply with a court order with respect to (24 CFR 5.2005(d)(1))

1) The rights of access or control of property, including civil protection orders issued to protect a victim of domestic violence, dating violence, sexual assault, or stalking; or

2) The distribution or possession of property among members of a household in a case.

b. Nothing in the VAWA Final Rule limits an owner from evicting a victim of domestic violence, dating violence, sexual assault, or stalking for a lease violation that is not premised on an act of domestic violence, dating violence, sexual assault, or stalking, as long as the owner does not subject the victim to more demanding standards than other tenants when deciding whether to evict. (See 24 CFR 5.2005(d)(2).)

c. Nothing in the VAWA Final Rule limits an owner from evicting a tenant (including the victim of domestic violence, dating violence, sexual assault, or stalking) if the owner can demonstrate an actual and imminent threat to other tenants or those employed at or providing services to the HCV property would be present if the tenant or lawful occupant is not evicted. (See 24 CFR 5.2005(d)(3).)

i. In this context, words, gestures, actions, or other indicators will be considered an "actual and imminent threat" if they meet the following standards: An actual and imminent threat consists of a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur. (See 24 CFR 5.2003.)

ii. Any eviction due to "actual and imminent threat" should be utilized by an owner only when there are no other actions that could be taken to reduce or eliminate the threat, including, but not limited to, transferring the victim to a different unit, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat. Restrictions predicated on public safety cannot be based on stereotypes but must be tailored to particularized concerns about individual residents. (See 24 CFR 5.2005(d)(4).)

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

If an applicant or tenant requests VAWA protection based on status as a victim of domestic violence, dating violence, sexual assault, or stalking, the owner has the option to request that the victim document or provide written evidence to demonstrate that the violence occurred. However, nothing in HUD's regulation

requires a covered housing provider to request this documentation. (See 24 CFR 5.2007(b)(3).)

If the owner chooses to request this documentation, the owner must make such request in writing. The individual may satisfy this request by providing any one document type listed under 24 CFR 5.2007(b)(1)□

a. Form H□D-55383 (Self-Certification Form); or

b. A document□1) Signed by an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional or a mental health professional (collectively, "professional") from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse□

2) Signed by the applicant or tenant; and

3) That specifies, under penalty of perjury, that the professional believes in the occurrence of the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for protection and remedies under 24 CFR part 5, subpart L, and that the incident meets the applicable definition of domestic violence, dating violence, sexual assault, or stalking under 24 CFR 5.2003; or

c. A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or

d. At the discretion of a covered housing provider, a statement or other evidence provided by the applicant or tenant.

The owner must accept any of the above items (a – c). The owner has discretion to accept a statement or other evidence (d).

The owner is prohibited from requiring third-party documentation of the domestic violence, dating violence, sexual assault, or stalking, unless the submitted documentation contains conflicting information.

If the owner makes a written request for documentation, the owner may require submission of that documentation within 14 business days after the date that the individual received the written request for documentation. (24 CFR 5.2007(a)(2)). The owner may extend this time period at its discretion. During the **14 business day** period and any granted extensions of that time, no adverse actions, such as evictions or terminations, can be taken against the individual requesting VAWA protection.

Once a victim provides documentation of domestic violence, dating violence, sexual assault, or stalking, the owner is encouraged to acknowledge receipt of the documentation in a timely manner.

If the applicant or tenant fails to provide documentation that meets the criteria in 24 CFR 5.2007 within 14 business days after receiving the written request for that documentation or within the designated extension period, nothing in VAWA

Final Rule may be construed to limit the authority of the covered housing provider to□

a. Deny admission by the applicant or tenant to the housing or program,

b. Deny assistance under the covered housing program to the applicant or tenant,

c. Terminate the participation of the tenant in the covered housing program; or

d. Evict the tenant, or a lawful occupant that commits a violation of a lease.

An individual's failure to timely provide documentation of domestic violence, dating violence, sexual assault, or stalking does not result in a waiver of the individual's right to challenge the denial of assistance or termination, nor does it preclude the individual's ability to raise an incident of domestic violence, dating violence, sexual assault, or stalking at eviction or termination proceedings.

Moves

A victim of domestic violence, dating violence, sexual assault, or stalking may move in violation of their lease if the move is required to protect their safety. If a move results in the termination of the Housing Assistance Payment Contract, the lease is automatically terminated.

Lease Bifurcation

Owners may choose to bifurcate a lease or remove a household member from a lease in order to evict, remove, terminate occupancy rights, or terminate assistance to such member who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual. (See 24 CFR 5.2009(a).) If an owner chooses to bifurcate the lease, the owner must comply with the reasonable time to establish eligibility under the covered housing program or find alternative housing following lease bifurcation provision in 24 CFR 5.2009(b). VAWA protections, including bifurcation, do not apply to guests or unreported members of a household or anyone else residing in a household who is not a tenant.

Eviction, removal, termination of occupancy rights, or termination of assistance must be affected in accordance with the procedures prescribed by federal, state, or local law for termination of leases.

To avoid unnecessary delay in the bifurcation process, H□D recommends that owners seek court-ordered eviction of the perpetrator pursuant to applicable laws. This process results in the underlying lease becoming null and void once the owner regains possession of the unit. The owner would then execute a new lease with the victim.

Evictions Due to "Actual and Imminent Threat" or Violations Not Premised on Abuse

The VAWA Final Rule generally prohibits eviction on the basis or as a direct result of the fact that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for assistance, participation or occupancy. (See 24 CFR 5.2005.)

However, the VAWA Final Rule does not prohibit an owner from evicting a tenant for any violation not premised on an act of domestic violence, dating violence, sexual assault, or stalking that is in question against the tenant or an affiliated individual of the tenant. Nor does the VAWA Final Rule prohibit an owner from evicting a tenant if the owner can demonstrate an actual and imminent threat to other tenants or those employed at or providing services to property of the owner would be present if that tenant or lawful occupant is not evicted or terminated from assistance. (See 5.2005(d)(2) and (3).)

In order to demonstrate an actual and imminent threat to other tenants or employees at the property, the covered housing provider must have objective evidence of words, gestures, actions, or other indicators that meet the standards in the following definition□

Actual and imminent threat refers to a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include□

- The duration of the risk,
- The nature and severity of the potential harm,
- The likelihood that the potential harm will occur; and
- The length of time before the potential harm would occur.

(See 24 CFR 5.2003 and 5.2005(d)(2).)

Confidentiality

Any information submitted to a covered housing provider under 24 CFR 5.2007, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, must be maintained in strict confidence by the covered housing provider. (See 24 CFR 5.2007(c).)

Employees of the owner (or those within their employ, e.g., contractors) must not have access to the information unless explicitly authorized by the owner for reasons that specifically call for these individuals to have access

to this information under applicable Federal, State, or local law (e.g., the information is needed by an employee to provide the VAWA protections to the victim).

The owner must not enter this information into any shared database, or disclose this information to any other entity or individual, except to the extent that disclosure is

a. Requested or consented to in writing by the individual (victim) in a time-limited release,

b. Required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program; or

c. Otherwise required by applicable law.

When communicating with the victim, owners must take precautions to ensure compliance with these confidentiality requirements.

Service Providers

insert name of housing provider has extensive relationships with local service providers. **insert name of housing provider** staff are available to provide referrals to shelters, counselors, and advocates. These resources are also provided in **insert name of housing provider** Annual and 5-Year Plan, Administrative Plan, VAWA Notice of Occupancy Rights, and Emergency Transfer Plan. A list of local service providers is attached to this Notice.

Definitions

Actual and imminent threat refers to a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.

Affiliated individual, with respect to an individual, means

(1) A spouse, parent, brother, sister, or child of that individual, or a person to whom that individual stands in the place of a parent or guardian (for example, the affiliated individual is a person in the care, custody, or control of that individual); or

(2) Any individual, tenant, or lawful occupant living in the household of that individual.

Bifurcate means to divide a lease as a matter of law, subject to the permissibility of such process under the requirements of the applicable H□D-covered program and State or local law, such that certain tenants or lawful occupants can be evicted or removed and the remaining tenants or lawful occupants can continue to reside in the unit under the same lease

requirements or as may be revised depending upon the eligibility for continued occupancy of the remaining tenants and lawful occupants.

Dating violence means 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□

(i) The length of the relationship,

(ii) The type of relationship; and

(iii) The frequency of interaction between the persons involved in the relationship.

Domestic violence includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by 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. The term “spouse or intimate partner of the victim” includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.

Sexual assault means any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

Stal□ing means engaging in a course of conduct directed at a specific person that would cause a reasonable person to□
(1) Fear for the person’s individual safety or the safety of others; or
(2) Suffer substantial emotional distress.

VAWA means the Violence Against Women Act of 1994, as amended (42 □.S.C. 13925 and 42 □.S.C. 14043e et seq.).

Attached:
Legal services and the domestic violence resources for the Metro area
Form H□D-5382 Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

□**insert name of housing provider**□VAWA Notice of Occupancy Rights

Chapter 17

PROJECT-BASED VOUCHERS

INTRODUCTION

This chapter describes H□D regulations and PHA policies related to the project-based voucher (PBV) program in nine parts□

Part I□General Requirements. This part describes general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements.

Part II□PBV Owner Proposals. This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors the PHA will consider when 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 □nits. 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 □nits. 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 the PHA's discretion.

Part VI□ Selection of PBV Program Participants. This part describes the requirements and policies governing how the PHA 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 redetermined 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 PHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with H D to take up to 20 percent of its authorized units and attach the funding to specific units rather than using it for tenant-based assistance 24 CFR 983.6. PHAs may only operate a PBV program if doing so is consistent with the PHA's Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities 42 .S.C. 1437f(o)(13).

HACP Policy:

The HACP will operate a project-based voucher program using up to 20 percent of its authorized units for project-based assistance.

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, the HACP is not required to reduce the number of these units if the number of authorized units is subsequently reduced. However, the HACP is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC, regardless of whether the PHA has vouchers available for project-basing FR Notice 1/18/17.

Additional Project-Based Units FR Notice 1/18/17

The PHA may project-base an additional 10 percent of its units above the 20 percent program limit, if the units

- Are specifically made available to house individuals and families that meet the definition of homeless under section 103 of the Mc inney-Vento Homeless Assistance Act (42 .S.C. 11302).
- Are specifically made available to house families that are comprised of or include a veteran.

- ***Veteran*** **means an individual who has served in the United States Armed Forces**

- Provide supportive housing to persons with disabilities or elderly persons as defined in 24 CFR 5.403.
- Are 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.
  - **For these projects, the project cap is the greater of 25 units or 40 percent (instead of 25 percent) of the units in the project FR Notice 7/14/17**

HACP Policy:

The HACP will not set aside units above the 20 percent program limit.

Units Not Subject to the PBV Program Limitation FR Notice 1/18/17

PBV units under the RAD program and HD-VASH PBV set-aside vouchers do not count toward the 20 percent limitation when PBV assistance is attached to them.

In addition, units that were previously subject to certain federal rent restrictions or were receiving another type of long-term housing subsidy provided by HD are not subject to the cap. In order to be excepted, the unit must meet the following conditions

- The unit must be covered under a PBV HAP contract that first became effective on or after 4/18/17; and
- In the five years prior to the date the PHA either issued the RFP or selected the project, the unit either
  - Received Public Housing Capital or Operating Funds, Project-Based Rental Assistance, Housing for Elderly (Section 202), Housing for Persons with Disabilities (section 811), Rent Supplement (Rent Supp), or Rental Assistance Program (RAP); or
  - Was subject to a rent restriction through a loan or insurance program as a result of Section 236, Section 221(d)(3) or (d)(4) BMIR, Housing for Elderly Persons (Section 202), or Housing for Persons with Disabilities (Section 811)
  - Received assistance under the Flexible Subsidy Program (Section 201 of the Housing and Community Development Amendments of 1978)

nits that have previously received either PBV or HCV assistance are not covered under the exception.

HACP Policy:

The HACP will not project-base any of the above unit types.

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 the PHA 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.

HACP Policy:

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the HACP policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

17-I.C. RELOCATION REQUIREMENTS [24 CFR 983.7]

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) [42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. PHAs may not use voucher program funds to cover relocation costs, except that PHAs may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.

The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of the PHA to ensure the owner complies with these requirements.

17-I.D. EQUAL OPPORTUNITY REQUIREMENTS [24 CFR 983.8]

The PHA must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, the PHA must comply with the PHA Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

PART II: PBV OWNER PROPOSALS

17-II.A. OVERVIEW

With certain exceptions, the PHA must describe the procedures for owner submission of PBV proposals and for PHA selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, the PHA 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]. The PHA may not commit PBVs until or unless it has followed the proposal selection requirements defined in 24 CFR 983.51 [Notice PIH 2011-54].

17-II.B. OWNER PROPOSAL SELECTION PROCEDURES [24 CFR 983.51(b)]

The PHA must select PBV proposals in accordance with the selection procedures in the PHA administrative plan. The PHA must select PBV proposals by either of the following two methods.

- PHA request for PBV Proposals. The PHA may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to the PHA request. The PHA 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.
- The PHA may select proposal 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. The PHA need not conduct another competition.

Units Selected Non-Competitively [FR Notice 1/18/17]

For certain public housing projects where the PHA has an ownership interest or control and will spend a minimum amount per unit on rehabilitation or construction, the PHA may select a project without following one of the two processes above.

HACP Policy:

The HACP may attach PBVs to projects owned by the PHA as described above.

Solicitation and Selection of PBV Proposals [24 CFR 983.51(c)]

PHA procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the PHA. The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice of the PHA request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

HACP Policy:

PHA Request for Proposals for Rehabilitated and Newly Constructed Units

The HACP will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in the following newspapers and trade journals.

- **Contra Costa Times – East Bay Edition**

In addition, the HACP will post the RFP and proposal submission and rating and ranking procedures on its electronic web site.

The HACP will publish its advertisement in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the HACP estimates that it will be able to assist under the funding the HACP is making available. Proposals will be due in the HACP office by close of business 30 calendar days from the date of the last publication.

In order for the proposal to be considered, the owner must submit the proposal to the HACP by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

The HACP will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP,
- Extent to which the project furthers the HACP goal of deconcentrating poverty and expanding housing and economic opportunities,
- If applicable, the extent to which services for special populations

are provided on site or in the immediate area for occupants of the property; and

- Projects with less than 25 percent of the units assisted will be rated higher than projects with 25 percent of the units assisted. In the case of projects for occupancy by the elderly, persons with disabilities or families needing other services, the HACP will rate partially assisted projects on the percent of units assisted. Projects with the lowest percent of assisted units will receive the highest score.

PHA Requests for Proposals for Existing Housing Units

The HACP will advertise its request for proposals (RFP) for existing housing in the following newspapers and trade journals.

- **Contra Costa Times – East Bay Edition**

In addition, the HACP will post the notice inviting such proposal submission and the rating and ranking procedures on its electronic web site.

The HACP will periodically publish its advertisement in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the HACP estimates that it will be able to assist under the funding the HACP is making available. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria

- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program,
- Extent to which the project furthers the HACP goal of deconcentrating poverty and expanding housing and economic opportunities,
- If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and
- Extent to which units are occupied by families that are eligible to participate in the PBV program.

PHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

The HACP will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded

Low-Income Housing Tax Credits on an ongoing basis.

The HACP may periodically advertise that it is accepting proposals, in the following newspapers and trade journals□

- **Contra Costa Times – East Bay Edition**

In addition to, or in place of advertising, the HACP may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. The HACP will evaluate each proposal on its merits using the following factors□

- Extent to which the project furthers the HACP goal of deconcentrating poverty and expanding housing and economic opportunities; and
- Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a H□D-designated Enterprise □one, Economic Community, or Renewal Community.

PHA-Owned Units □24 CFR 983□51(e), 983□59, Notice PIH 2015-05, and FR Notice 1/18/17□

A PHA-owned unit may be assisted under the PBV program only if the H□D field office or H□D-approved independent entity reviews the selection process and determines that the PHA-owned units were appropriately selected based on the selection procedures specified in the PHA administrative plan. If the PHA selects a proposal for housing that is owned or controlled by the PHA, the PHA must identify the entity that will review the PHA proposal selection process and perform specific functions with respect to rent determinations and inspections. In the case of PHA-owned units, the term of the HAP contract and any HAP contract renewal must be agreed upon by the PHA and a H□D-approved independent entity. In addition, an independent entity must determine the rent to owner, the redetermined rent to owner, and reasonable rent. Housing quality standards inspections must also be conducted by an independent entity.
The independent entity that performs these program services may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government) or another H□D-approved public or private independent entity.

HACP Policy:

The HACP may submit a proposal for project-based housing that is owned

or controlled by the HACP. If the proposal for HACP-owned housing is selected, the HACP will use Housing Authority of the County of Contra Costa to review the HACP selection and to administer the PBV program. The HACP will obtain H□D approval of Housing Authority of the County of Contra Costa prior to selecting the proposal for HACP-owned housing.

The HACP may only compensate the independent entity from HACP ongoing administrative fee income (including amounts credited to the administrative fee reserve). The HACP may not use other program receipts to compensate the independent entity for its services. The HACP and independent entity may not charge the family any fee for the appraisal, or the services provided by the independent entity.

PHA Notice of Owner Selection □24 CFR 983□51(d)□

The PHA must give prompt written notice to the party that submitted a selected proposal and must also give prompt public notice of such selection. Public notice procedures may include publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

HACP Policy:

Within ***10 business days*** of the HACP making the selection, the HACP will notify the selected owner in writing of the owner's selection for the PBV program. The HACP will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

In addition, the HACP will publish its notice for selection of PBV proposals for two consecutive days in the same newspapers and trade journals the HACP used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program. The HACP will also post the notice of owner selection on its electronic web site.

The HACP will make available to any interested party its rating and ranking sheets and documents that identify the HACP basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The HACP will not make available sensitive owner

information that is privileged, such as financial statements and similar information about the owner.

The HACP will make these documents available for review at the HACP during normal business hours. The cost for reproduction of allowable documents will be $.25 per page.

17-II.C. HOUSING TYPE [24 CFR 983.52]

The PHA may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of PHA selection, the units substantially comply with HQS. Units for which new construction or rehabilitation began after the owner's proposal submission but prior to the execution of the HAP do not subsequently qualify as existing housing. Units that were newly constructed or rehabilitated in violation of program requirements also do not qualify as existing housing.

The PHA must decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. The PHA choice of housing type must be reflected in its solicitation for proposals.

17-II.D. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS

Ineligible Housing Types [24 CFR 983.53]

The PHA may not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; and transitional housing. In addition, the PHA may not attach or pay PBV assistance for a unit occupied by an owner and the PHA may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program. A member of a cooperative who owns shares in the project assisted under the PBV program is not considered an owner for purposes of participation in the PBV program. Finally, PBV assistance may not be attached to units for which construction or rehabilitation has started after the proposal submission and prior to the execution of an AHAP.

Subsidized Housing [24 CFR 983.54]

A PHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit,
- A unit subsidized with any other form of Section 8 assistance,
- A unit subsidized with any governmental rent subsidy,

- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing,
- A unit subsidized with Section 236 rental assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities,
- Section 811 project-based supportive housing for persons with disabilities,
- Section 202 supportive housing for the elderly,
- A Section 101 rent supplement project,
- A unit subsidized with any form of tenant-based rental assistance,
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by H□D or the PHA in accordance with H□D requirements.

17-II□E□SUBSID□ LA□ERING REQUIREMENTS □24 CFR 983□55, FR Notice 11/24/08, FR Notice 7/9/10, and FR Notice 6/25/14□

The PHA may provide PBV assistance only in accordance with H□D subsidy layering regulations □24 CFR 4.13□and other requirements.

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

Subsidy layering requirements do not apply to existing housing. A further subsidy layering review is not required for new construction or rehabilitation if H□D's designee has conducted a review that included a review of PBV assistance in accordance with the PBV subsidy layering guidelines.

The PHA must submit the necessary documentation to H□D for a subsidy layering review. Except in cases noted above, the PHA may not enter into an agreement to enter into a HAP contract or a HAP contract until H□D, or a H□D-approved housing credit agency (HCA), has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with H□D subsidy layering requirements. However, in order to satisfy applicable requirements, HCAs must conduct subsidy layering reviews in compliance with the guidelines set forth in the *Federal Register* notice published □uly 9, 2010.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with H□D requirements.

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

25 Percent per Project Cap (24 CFR 983.56)

In general, the PHA 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 (FR Notice 1/18/17)

Exceptions are allowed and PBV units are not counted against the 25 percent or 25-unit 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
  - For these projects, the project cap is the greater of 25 units or 40 percent (instead of 25 percent) of the units in the project (FR Notice 7/14/17).

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.

Supportive Services

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, although the family must be eligible to receive the supportive services. 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.

HACP Policy:
Excepted units may be limited to units for elderly families, veterans and chronically homeless families.

Projects not Subject to a Project Cap (FR Notice 1/18/17)
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
- 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 202), 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.

HACP Policy:
The HACP currently does not have any PBV units that are subject to the per project cap exception.

Promoting Partially Assisted Projects (24 CFR 983.56(c))
A PHA 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). A PHA 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. A PHA may also

determine not to provide PBV assistance for excepted units, or the PHA may establish a per-project cap of less than 25 percent.

HACP Policy:
The HACP will not provide assistance for excepted units. Beyond that, the HACP will not impose any further cap 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)

The PHA 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 the PHA has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with the PHA Plan under 24 CFR 903 and the PHA administrative plan.

In addition, prior to selecting a proposal, the PHA 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).

HACP Policy:
It is the HACP goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal, the HACP will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, the HACP will grant exceptions to the 20 percent standard where the HACP determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate 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.

Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]

The PHA may not enter into an agreement to enter into a HAP 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)]

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 the PHA 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,

- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons,
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate,
- The housing must 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
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

17-II.H. ENVIRONMENTAL REVIEW [24 CFR 983.58]

The HACP activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The HACP may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

The HACP may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the HACP, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The HACP must supply all available, relevant information necessary for the

responsible entity to perform any required environmental review for any site. The HACP must require the owner to carry out mitigating measures required by the responsible entity (or H□D, if applicable) as a result of the environmental review.

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 QUALIT□ STANDARDS □24 CFR 983□101□
The housing quality standards (H□S) for the tenant-based program, including those for special housing types, generally apply to the PBV program. H□S 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)□
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 □.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 □.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 ACCESSIBILIT□ FOR PERSONS WITH DISABILITIES
The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 □.S.C. 794) and implementing regulations at 24 CFR part 8. The HACP must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 □.S.C. 794), as implemented by H□D'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)□
The HACP must examine the proposed site before the proposal selection date. If the units to be assisted already exist, the HACP must inspect all the units before the proposal selection date and must determine whether the units substantially comply with H□S. To qualify as existing housing, units must substantially comply

with H□S on the proposal selection date. However, the HACP may not execute the HAP contract until the units fully comply with H□S, unless the HACP has adopted a policy to enter into a HAP contract for units that fail the initial H□S inspection as a result of only non-life-threatening conditions, unless the HACP has adopted a policy to enter into a HAP contract for units that fail the initial H□S inspection as a result of only non-life-threatening conditions.

Pre-HAP Contract Inspections □24 CFR 983□103(b)□FR Notice 1/18/17□
The HACP must inspect each contract unit before execution of the HAP contract. The HACP may not enter into a HAP contract covering a unit until the unit fully complies with H□S, unless the HACP has adopted a policy to enter into a HAP contract for units that fail the initial H□S inspection as a result of only non-life-threatening conditions.

HACP Policy:
The HACP will not enter into a PBV HAP contract until all units that will be under contract fully comply with H□S.

Turnover Inspections □24 CFR 983□103(c)□
Before providing assistance to a new family in a contract unit, the HACP must inspect the unit. The HACP may not provide assistance on behalf of the family until the unit fully complies with H□S.

Annual/Biennial Inspections □24 CFR 983□103(d)□FR Notice 6/25/14□
At least once every 24 months during the term of the HAP contract, the HACP must inspect a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with H□S. Turnover inspections are not counted toward meeting this inspection requirement.

HACP Policy:
The HACP will inspect on an annual basis a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with H□S.

If more than 20 percent of the sample of inspected contract units in a building fail the initial inspection, the HACP must reinspect 100 percent of the contract units in the building.

Other Inspections □24 CFR 983□103(e)□
The HACP must inspect contract units whenever needed to determine that the contract units comply with H□S and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The HACP must take into account complaints and any other information coming to its attention in scheduling inspections.

The HACP must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an H□S violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of H□S.

In conducting HACP supervisory quality control H□S inspections, the HACP should include a representative sample of both tenant-based and project-based units.

Inspecting PHA-Owned Units □24 CFR 983□103(f)□

In the case of HACP-owned units, the inspections must be performed by an independent agency designated by the HACP and approved by H□D. The independent entity must furnish a copy of each inspection report to the HACP and to the H□D field office where the project is located. The HACP 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 the HACP-owner.

PART IV: REHABILITATED AND NEWL□ CONSTRUCTED UNITS

17-IV□A□OVERVIEW □24 CFR 983□151□

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.

Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

17-IV□B□AGREEMENT TO ENTER INTO HAP CONTRACT

In order to offer PBV assistance in rehabilitated or newly constructed units, the HACP must enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by H□D □24 CFR 983.152(b)□. The HACP may not enter into an Agreement if commencement of construction or rehabilitation has commenced after proposal submission □24 CFR 983.152(c)□. Construction begins when excavation or site preparation (including clearing of the land) begins for the housing. Rehabilitation begins with the physical commencement of rehabilitation activity on the housing. In the Agreement the owner agrees to develop the PBV contract units to comply with H□S, and the HACP agrees that upon timely completion of such development in accordance with the terms of the Agreement, the HACP will enter into a HAP contract with the owner for the contract units □24 CFR 983.152(a)□.

Content of the Agreement [24 CFR 983.152(d)]
At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units,
- Number of contract units by area (size) and number of bedrooms and bathrooms,
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent,
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant,
- An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement,
- Estimated initial rents to owner for the contract units,
- Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by the PHA, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- Any additional requirements for quality, architecture, or design over and above HQS.

Execution of the Agreement [24 CFR 983.153]
The Agreement must be executed promptly after PHA notice of proposal selection to the selected owner. The PHA may not enter into the Agreement if construction or rehabilitation has started after proposal submission. Generally, the PHA may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, the PHA may not enter into the Agreement until the environmental review is completed and the PHA has received environmental approval. However, the PHA does not need to conduct a subsidy layering review in the case of a HAP contract for existing housing or if the applicable state or local agency has conducted such a review. Similarly, environmental reviews are not required for existing structures unless otherwise required by law or regulation.

HACP Policy:
The HACP will enter into the Agreement with the owner within ***10***

business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

17-IV.C. CONDUCT OF DEVELOPMENT WORK

Labor Standards [24 CFR 983.154(b)]

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The PHA must monitor compliance with labor standards.

Equal Opportunity [24 CFR 983.154(c)]

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

Owner Disclosure [24 CFR 983.154(d) and (e)]

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

17-IV.D. COMPLETION OF HOUSING

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

Evidence of Completion [24 CFR 983.155(b)]

At a minimum, the owner must submit the following evidence of completion to the PHA in the form and manner required by the PHA:

- Owner certification that the work has been completed in accordance with HUD and all requirements of the Agreement; and

- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At the PHA's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

HACP Policy:
The HACP will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. The HACP will specify any additional documentation requirements in the Agreement to enter into HAP contract.

PHA Acceptance of Completed Units [24 CFR 983.156]

Upon notice from the owner that the housing is completed, the PHA must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. The PHA must also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, the PHA must not enter into the HAP contract.

If the PHA determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the PHA must submit the HAP contract for execution by the owner and must then execute the HAP contract.

PART V: HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)

17-V.A. OVERVIEW

The PHA must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. With the exception of single-family scattered-site projects, a HAP contract shall cover a single project. If multiple projects exist, each project is covered by a separate HAP contract. The HAP contract must be in the form required by HUD [24 CFR 983.202(a)].

17-V.B. HAP CONTRACT REQUIREMENTS

Contract Information [24 CFR 983.203]

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms,
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building,
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit,
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner,
- □tilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant,
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8,
- The HAP contract term
- The number of units in any project that will exceed the 25 percent per project cap, which will be set aside for occupancy by qualifying families (elderly and/or disabled families and families receiving supportive services); and
- The initial rent to owner for the first 12 months of the HAP contract term.

Execution of the HAP Contract □24 CFR 983□204□

The PHA may not enter into a HAP contract until each contract unit has been inspected and the PHA has determined that the unit complies with the Housing □uality Standards (H□S), unless the PHA has adopted a policy to enter into a HAP contract for units that fail the initial H□S inspection as a result of only non-life-threatening conditions. For existing housing, the HAP contract must be executed promptly after the PHA selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after the PHA has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

HACP Policy:

For existing housing, the HAP contract will be executed within ***10 business days*** of the HACP determining that all units pass H□S.

For rehabilitated or newly constructed housing, the HAP contract will be executed within ***10 business days*** of the PHA determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet H□S, and the owner has submitted all required

evidence of completion.

Term of HAP Contract [24 CFR 983.205 and FR Notice 1/18/17]

The PHA may enter into a HAP contract with an owner for an initial term of no less than one year and no more than 20 years for each contract unit. The length of the term of the HAP contract for any contract unit may not be less than one year, nor more than 20 years. In the case of PHA-owned units, the term of the HAP contract must be agreed upon by the PHA and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

HACP 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 HACP may extend the term of the contract for an additional term of up to 20 years if the HACP determines an extension is appropriate to continue providing affordable housing for low-income families. A HAP contract extension may not exceed 20 years. A HACP may provide for multiple extensions; however, in no circumstances may such extensions exceed 20 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 HACP 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 HACP-owned units, any extension of the term of the HAP contract must be agreed upon by the HACP and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

HACP Policy:

When determining whether or not to extend an expiring PBV contract, the HACP 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 deconcentrating poverty and expanding housing opportunities; and

Whether the funding could be used more appropriately for tenant-based assistance.

Termination by PHA [24 CFR 983.205(c); FR Notice 1/18/17]

The HAP contract must provide that the term of the PHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by H□D or by the PHA in accordance with H□D 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.

In times of insufficient funding, H□D requires that PHAs first take all cost-saving measures prior to failing to make payments under existing PBV HAP contracts. 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, the PHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with H□D instructions.

Termination by Owner [24 CFR 983.205(d)]

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 the PHA. 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□

Not less than one year before the HAP contract terminates, or if the owner refuses to renew the HAP contract, the owner must notify the PHA and assisted tenants of the termination. The notice must be provided in the form prescribed by H□D. 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 H□D may require.

□pon 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 assistance, the family may do so regardless of whether the family share would initially exceed 40 percent of the family's adjusted monthly income.

Remedies for HQS Violations [24 CFR 983.208(b)]

The PHA 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 the PHA determines that a contract does not comply with HQS, the PHA 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.

HACP Policy:

The HACP 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.

17-V.C. AMENDMENTS TO THE HAP CONTRACT

Substitution of Contract Units [24 CFR 983.207(a)]

At the PHA'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, the PHA must inspect the proposed unit and determine the reasonable rent for the unit.

Addition of Contract Units [FR Notice 1/18/17]

The PHA and owner may amend the HAP contract to add additional PBV contract units in projects that already have a HAP contract without having to fulfill the selection requirements found at 24 CFR 983.51(b) for those additional PBV units, regardless of when the HAP contract was signed. The additional PBV units, however, are still subject to the PBV program cap and individual project caps. Prior to attaching additional units without competition, the PHA must

submit to the local field office information outlined in FR Notice 1/18/17. The PHA must also detail in the administrative plan their intent to add PBV units and the rationale for adding units to the specific PBV project.

HACP Policy:
The HACP will not add contract units to the HAP contract.

17-V D HAP CONTRACT EAR, ANNIVERSAR AND E PIRATION 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 H S,
- 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 the PHA, and the lease is in accordance with the HAP contract and H D 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,

- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units,
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit
- The family does not own or have any interest in the contract unit (does not apply to family's membership in a cooperative); and
- Repair work on the project selected as an existing project that is performed after HAP execution within such post-execution period as specified by H□D may constitute development activity, and if determined to be development activity, the repair work undertaken shall be in compliance with Davis-Bacon wage requirements.

17-V□F□ADDITIONAL HAP REQUIREMENTS

Housing Quality and Design Requirements □24 CFR 983□101(e) and 983□208(a)□

The owner is required to maintain and operate the contract units and premises in accordance with H□S, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the PHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

The PHA may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the Agreement to enter into a HAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with H□S.

HACP Policy:

The HACP will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. The HACP will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into HAP contract, and the HAP contract.

Vacancy Payments □24 CFR 983□352(b)□

At the discretion of the PHA, the HAP contract may provide for vacancy payments to the owner for a PHA-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will be determined by the PHA and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment

received by the owner (including amounts available from the tenant's security deposit).

HACP Policy:
The HACP will decide on a case-by-case basis if the HACP will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS

17-VI.A. OVERVIEW
Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

17-VI.B. ELIGIBILITY FOR PBV ASSISTANCE [24 CFR 983.251(a) and (b)]
The PHA may select families for the PBV program from those who are participants in the PHA's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be redetermined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the PHA, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the PHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. The PHA may also not approve a tenancy if the owner (including a principal or other interested party) of the unit is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless needed as a reasonable accommodation. An applicant family must also meet HUD requirements related to current or past criminal activity.

HACP Policy:

The HACP will determine an applicant family's eligibility for the PBV program in accordance with the policies in Chapter 3.

In-Place Families [24 CFR 983.251(b)]

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the PHA is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the PHA's waiting list. Once the family's continued eligibility is determined (the PHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the PHA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

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)]

The PHA may establish a separate waiting list for PBV units or it may use the same waiting list for both tenant-based and PBV assistance. The PHA may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by the PHA. If the PHA chooses to offer a separate waiting list for PBV assistance, the PHA must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

If a PHA decides to establish a separate PBV waiting list, the PHA may use a single waiting list for the PHA's whole PBV program, or it may establish separate waiting lists for PBV units in particular projects or buildings or for sets of such units.

HACP Policy:

The HACP will establish and manage separate waiting lists for individual projects or buildings that are receiving PBV assistance. The HACP currently has waiting lists for the following PBV projects:

Veteran's Square will be a direct referral property where no wait list will be utilized.

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 the PHA's waiting list. The PHA may establish selection criteria or preferences for occupancy of particular PBV units. The PHA may place families referred by the PBV owner on its PBV waiting list.

Continuum of Care Assisted PBV VASH Units

In addition to site-based waiting lists for each PBV property, the HACP may 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 & VASH or affiliated Veteran Support Agencies. Once the owner has reviewed the application and accepted the referral for housing assistance, the owner shall refer the family to the HACP'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 & PBV Wait List.

nits eligible for CES assistance and VASH priority are as follows

- **Veterans Square – 901 Medanos Street, Pittsburg, CA**

Direct Referrals from:

- Coordinated Entry System (CES) for an authorized PBV Project
- VASH or affiliated Veterans Support Agencies in the Bay Area

Income Targeting 24 CFR 983251(c)(6)

At least 75 percent of the families admitted to the PHA's tenant-based and project-based voucher programs during the PHA fiscal year from the waiting list must be extremely low-income families. The income targeting requirement applies to the total of admissions to both programs.

Units with Accessibility Features 24 CFR 983251(c)(7)

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the PHA must first refer families who require such features to the owner.

Preferences 24 CFR 983251(d), FR Notice 11/24/08

The PHA 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. The PHA must provide an absolute selection preference for eligible in-place families as described in Section 17-VI.B. above.

The PHA may establish a selection preference for families who qualify for

voluntary services, including disability-specific services, offered in conjunction with assisted units, provided that preference is consistent with the PHA plan. The PHA may not, however, grant a preference to a person with a specific disability (FR Notice 1/18/17).

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 the PHA has projects with "excepted units" for elderly families or supportive services, the PHA must give preference to such families when referring families to these units (24 CFR 983.261(b); FR Notice 1/18/17).

HACP Policy:
The HACP will provide a selection preference when required by the regulation (e.g., eligible in-place families, elderly families or units with supportive services or mobility impaired persons for accessible units). The HACP will not offer any additional preferences for the PBV program or for particular PBV projects or units.

17-VI.E. OFFER OF PBV ASSISTANCE

Refusal of Offer (24 CFR 983.251(e)(3))

The PHA is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance,
- Deny any admission preference for which the applicant qualifies,
- Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the PHA's selection policy,
- Remove the applicant from the tenant-based voucher waiting list.

Disapproval by Landlord (24 CFR 983.251(e)(2))

If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waiting list.

Acceptance of Offer (24 CFR 983.252)

Family Briefing

When a family accepts an offer for PBV assistance, the PHA must give the family

an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the PHA must provide a briefing packet that explains how the PHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Persons with Disabilities

If an applicant family's head or spouse is disabled, the PHA must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available (see Chapter 2). In addition, the PHA must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

Persons with Limited English Proficiency

The PHA should take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166 (see Chapter 2).

17-VI.F. OWNER SELECTION OF TENANTS

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection. [24 CFR 983.253(a)(2) and (a)(3)]

Leasing [24 CFR 983.253(a)]

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by the PHA from the PHA's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on the PHA's subsidy standards.

Filling Vacancies [24 CFR 983.254(a)]

The owner must promptly notify the PHA of any vacancy or expected vacancy in a contract unit. After receiving such notice, the PHA must make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. The PHA and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

HACP Policy:

The owner must notify the HACP in writing (mail, fax, or e-mail) within 5 business days of learning about any vacancy or expected vacancy.

The HACP will make every reasonable effort to refer families to the owner within ***10 business days*** of receiving such notice from the owner.

Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, the PHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.

HACP Policy:

If any contract units have been vacant for 120 days, the HACP will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The HACP will provide the notice to the owner within ***10 business days*** of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of the HACP's notice.

17-VI.G. TENANT SCREENING [24 CFR 983.255]

PHA Responsibility

The PHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. However, the PHA may opt to screen applicants for family behavior or suitability for tenancy and may deny applicants based on such screening.

HACP Policy:

The HACP will not conduct screening to determine a PBV applicant family's suitability for tenancy.

The HACP must provide the owner with an applicant family's current and prior address (as shown in HACP records) and the name and address (if known by the HACP) of the family's current landlord and any prior landlords.

In addition, the HACP may offer the owner other information the HACP may have about a family, including information about the tenancy history of family members or about drug trafficking and criminal activity by family members. The HACP must provide applicant families a description of the HACP policy on providing information to owners, and the HACP must give the same types of information to all owners.

The HACP may not disclose to the owner any confidential information provided in response to a request for documentation of domestic violence, dating violence, sexual assault, or stalking except at the written request or with the written consent of the individual providing the documentation [24 CFR 5.2007(a)(4)].

HACP Policy:

The HACP will inform owners of their responsibility to screen prospective tenants and will provide owners with the required known name and address information, at the time of the turnover H□S inspection or before. The HACP will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

Owner Responsibility

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors□

- Payment of rent and utility bills,
- Caring for a unit and premises,
- Respecting the rights of other residents to the peaceful enjoyment of their housing,
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and
- Compliance with other essential conditions of tenancy.

PART VII: OCCUPANC□

17-VII□A□OVERVIEW

After an applicant has been selected from the waiting list, determined eligible by the PHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

17-VII□B□LEASE □24 CFR 983□256□

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Form of Lease □24 CFR 983□256(b)□

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a H□D-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by H□D.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a PHA model lease.

The PHA may review the owner's lease form to determine if the lease complies with state and local law. If the PHA determines that the lease does not comply with state or local law, the PHA may decline to approve the tenancy.

HACP Policy:
The HACP will not review the owner's lease for compliance with state or local law.

Lease Requirements [24 CFR 983.256(c)]
The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant,
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit),
- The term of the lease (initial term and any provision for renewal),
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements,
- A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
- The amount of any charges for food, furniture, or supportive services.

Tenancy Addendum [24 CFR 983.256(d)]
The tenancy addendum in the lease must state:

- The program tenancy requirements,
- The composition of the household as approved by the PHA (the names of family members and any PHA-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

Initial Term and Lease Renewal [24 CFR 983.256(f)]
The initial lease term must be for at least one year. The lease must provide for automatic renewal after the initial term of the lease in either successive definitive terms (e.g. month-to-month or year-to-year) or an automatic indefinite extension of the lease term. For automatic indefinite extension of the lease term, the lease terminates if any of the following occur:

- The owner terminates the lease for good cause
- The tenant terminates the lease
- The owner and tenant agree to terminate the lease
- The PHA terminates the HAP contract

- The PHA terminates assistance for the family

Changes in the Lease [24 CFR 983.256(e)]

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the PHA a copy of all changes. The owner must notify the PHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the PHA and in accordance with the terms of the lease relating to its amendment. The PHA must redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

Owner Termination of Tenancy [24 CFR 983.257]

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see Section 12-III.B. and 24 CFR 982.310). In the PBV program, terminating tenancy for "good cause" does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]

The lease may specify a maximum period of family absence from the unit that may be shorter than the maximum period permitted by PHA 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. PHA 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]

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 the PHA. After the 180-day period, the unit shall be removed from the HAP contract pursuant to 24 CFR 983.211.

HACP 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 the HACP of the change and request an interim reexamination before the expiration of the 180-day period.

Security Deposits [24 CFR 983.259]

The owner may collect a security deposit from the tenant. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

HACP Policy:

The HACP will allow the owner to collect a security deposit amount the owner determines is appropriate.

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.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The HACP has no liability or responsibility for payment of any amount owed by the family to the owner.

17-VII.C. MOVES

Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.260]

If the PHA determines that a family is occupying a wrong size unit, based on the PHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, the PHA must promptly notify the family and the owner of this determination, and the PHA must offer the family the opportunity to receive continued housing assistance in another unit.

HACP Policy:

The HACP will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within ***10 business days*** of the HACP's determination. The HACP will offer the family the following types of continued assistance in the following order, based on the availability of assistance.

PBV assistance in the same building or project,

PBV assistance in another project; and

Tenant-based voucher assistance.

If the HACP offers the family a tenant-based voucher, the HACP must terminate the housing assistance payments for a wrong-sized or accessible unit at the earlier of the expiration of the term of the family's voucher (including any extension granted by the HACP) or the date upon which the family vacates the unit. If the family does not move out of the wrong-sized unit or accessible unit by the expiration of the term of the family's voucher, the HACP must remove the unit from the HAP contract.

If the HACP offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the PHA, or both, the PHA must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by the PHA and remove the unit from the HAP contract.

HACP Policy:

When the HACP offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, the HACP will terminate the housing assistance payments at the expiration of this 30-day period.

The HACP may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

Family Right to Move (24 CFR 983.261)

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 the PHA. If the family wishes to move with continued tenant-based assistance, the family must contact the PHA to request the rental assistance prior to providing notice to terminate the lease. If the family terminates the lease in accordance with these requirements, the PHA 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, the PHA must give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

Emergency Transfers under VAWA (Notice PIH 2017-08)

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Except where special consideration is needed for the project-based voucher program, the PHA will follow VAWA policies as outlined in Chapter 16 Part IX of this administrative plan, including using the Emergency Transfer Plan as the basis for PBV transfers under VAWA (Exhibit 16-4).

H□D requires that the PHA include policies that address when a victim has been living in a unit for less than a year or when a victim seeks to move sooner than a tenant-based voucher is available.

HACP Policy:

When the victim of domestic violence, dating violence, sexual assault, or stalking has lived in the unit for less than one year, the HACP will provide several options for continued assistance.

The HACP will first try to transfer the participant to another PBV unit in the same development or transfer to a different development where the HACP has PBV units. The HACP will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.

If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may receive continued assistance through an external transfer to either tenant-based rental assistance (HCV) or assistance in the HACP's public housing program. Such a decision will be made by the HACP based on the availability of tenant-based vouchers and/or vacancies in public housing units. Such families must be selected from the waiting list for the applicable program. The HACP has adopted a waiting list preference for victims of domestic violence, dating violence, sexual assault, and stalking in both its HCV and public housing programs in order to expedite this process. See Section 4-III.C. of this administrative plan.

If a victim wishes to move after a year of occupancy in the unit, but no tenant-based vouchers are available, the HACP will offer the participant an internal transfer to another PBV unit in the same development or a transfer to a different development where the HACP has PBV units. The HACP will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.

If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may receive continued assistance through an external transfer to the HACP's public housing program. The HACP has adopted a waiting list preference for victims of domestic violence, dating violence, sexual assault, and stalking as part of the public housing ACOP in order to

expedite this process.

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
    - For these projects, the project cap is the greater of 25 units or 40 percent (instead of 25 percent) of the units in the project (FR Notice 7/14/17).

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 the PHA 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 family due to a change in family composition, the PHA has the discretion to allow the family to remain in the excepted unit. If the PHA does not exercise this discretion, the family must vacate the unit within a reasonable period of time established by the PHA, and the PHA 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 building 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 the PHA. The PHA 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 unit under the HAP contract, the unit must be made available to and occupied by a qualified family.

HACP Policy:

The HACP will allow families who initially qualified to live in an excepted unit to remain when circumstances change due to circumstances beyond the remaining family members' control.

In all other cases, the HACP will provide written notice to the family and owner within ***10 business days*** of making the determination. The family will be given 30 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-day time frame, the HACP will terminate the housing assistance payments at the expiration of this 30-day period.

The HACP may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

PART VIII: DETERMINING RENT TO OWNER

17-VIII.A. OVERVIEW

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is redetermined at the owner's request in accordance with program requirements, and at such time that

there is a five percent or greater decrease in the published FMR.

17-VIII.B. RENT LIMITS [24 CFR 983.301]

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by the PHA, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance,
- The reasonable rent; or
- The rent requested by the owner.

Certain Tax Credit Units [24 CFR 983.301(c)]

For certain tax credit units, the rent limits are determined differently than for other PBV units. Different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986,
- The contract unit is not located in a qualified census tract,
- There are comparable tax credit units of the same bedroom size as the contract unit in the same project, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds 110 percent of the fair market rent or any approved exception payment standard,

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance,
- The reasonable rent; or
- The rent requested by the owner.

Definitions

A *qualified census tract* is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the project that also receive the low-income housing tax credit but do not

have any additional rental assistance (e.g., tenant-based voucher assistance).

Reasonable Rent (24 CFR 983.301(e) and 983.302(c)(2))
The PHA must determine reasonable rent in accordable with 24 CFR 983.303. The rent to owner for each contract unit may at no time exceed the reasonable rent, except in cases where the PHA has elected within the HAP contract not to reduce rents below the initial rent to owner and, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent. However, the rent to owner must be reduced in the following cases:

- To correct errors in calculations in accordable with HUD requirements
- If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to 24 CFR 983.55
- If a decrease in rent to owner is required based on changes in the allocation of the responsibility for utilities between owner and tenant

If the PHA has not elected within the HAP contract to establish the initial rent to owner as the rent floor, the rent to owner shall not at any time exceed the reasonable rent.

HACP Policy:
The HACP will elect within the HAP contract not to reduce rents below the initial level, with the exception of circumstances listed in 24 CFR 983.302(c)(2). If, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent, the HACP will use the higher initial rent to owner amount.

Use of FMRs, Exception Payment Standards, and Utility Allowances (24 CFR 983.301(f))
When determining the initial rent to owner, the PHA must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, the PHA must use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, the PHA may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for redeterminations of rent, the 30-day period immediately before the redetermination date.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment stand amount for use in the PBV program.

Likewise, the PHA may not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

HACP Policy:

Upon written request by the owner, the HACP will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. The HACP 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, the HACP may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent, if the HACP determines it is necessary due to HACP 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.

HACP Policy:

The HACP will not apply SAFMRs to the HACP's PBV program.

Redetermination of Rent [24 CFR 983.302]

The PHA must redetermine the rent to owner upon the owner's request or when there is a 10 percent or greater decrease in the published FMR.

Rent Increase

If an owner wishes to request an increase in the rent to owner from the PHA, 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 the PHA. The PHA 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).

HACP Policy:

An owner's request for a rent increase must be submitted to the HACP 60 days prior to the anniversary date of the HAP contract and must include the new rent amount the owner is proposing.

The HACP may not approve, and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with H□S. The owner may not receive any retroactive increase of rent for any period of noncompliance.

Rent Decrease

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment, except where the PHA has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

Notice of Rent Change

The rent to owner is redetermined by written notice by the PHA to the owner specifying the amount of the redetermined rent. The PHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

HACP Policy:

The HACP will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

PHA-Owned Units □24 CFR 983□301(g)□

For PHA-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by H□D. The PHA must use the rent to owner established by the independent entity.

17-VIII.C. REASONABLE RENT [24 CFR 983.303]

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the PHA, except where the PHA has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

When Rent Reasonable Determinations Are Required:

The PHA must redetermine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a 10 percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date,
- The PHA approves a change in the allocation of responsibility for utilities between the owner and the tenant,
- The HAP contract is amended to substitute a different contract unit in the same building or project; or
- There is any other change that may substantially affect the reasonable rent.

How to Determine Reasonable Rent

The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, the PHA must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

Comparability Analysis

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by the PHA. The comparability analysis may be performed by PHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

PHA-Owned Units

For PHA-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for PHA-owned units to the PHA and to the HUD field office

where the project is located.

Owner Certification of Reasonable Rent
By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the PHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

17-VIII.D. EFFECT OF OTHER SUBSIDY AND RENT CONTROL

In addition to the rent limits discussed in Section 17-VIII.B above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance (see Section 17-II.D).

Other Subsidy [24 CFR 983.304]
To comply with HUD subsidy layering requirements, at the discretion of HUD or its designee, a PHA shall reduce the rent to owner because of other governmental subsidies, including tax credits or tax exemptions, grants, or other subsidized funding.
For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.
For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project,
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action,
- A Section 221(d)(3) below market interest rate (BMIR) project,
- A Section 515 project of the Rural Housing Service,
- Any other type of federally subsidized project specified by HUD.

Combining Subsidy
Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

Rent Control [24 CFR 983.305]
In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

17-I□A□HOUSING ASSISTANCE PA□MENTS □24 CFR 983□351□

During the term of the HAP contract, the PHA must make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with H□S and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the PHA agree on a later date.

Except for discretionary vacancy payments, the PHA may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit). The amount of the housing assistance payment by the PHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).
In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. □nless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

17-I□B□VACANC□ PA□MENTS □24 CFR 983□352□

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if the PHA determines that the vacancy is the owner's fault.

> ***HACP Policy:***
> If the HACP determines that the owner is responsible for a vacancy and, as a result, is not entitled to the keep the housing assistance payment, the HACP will notify the landlord of the amount of housing assistance payment that the owner must repay. The HACP will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.

At the discretion of the HACP, the HAP contract may provide for vacancy payments to the owner. The HACP may only make vacancy payments if□

- The owner gives the HACP prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);
- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed,

- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by the PHA and must provide any information or substantiation required by the PHA to determine the amount of any vacancy payment.

HACP Policy:

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified the HACP of the vacancy in accordance with the policy in Section 17-VI.F. regarding filling vacancies.

In order for a vacancy payment request to be considered, it must be made within ***10 business days*** of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and the HACP may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the HACP within ***10 business days*** of the HACP's request, no vacancy payments will be made.

17-I□C□TENANT RENT TO OWNER □24 CFR 983□353□

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the PHA in accordance with H□D requirements. Any changes in the amount of tenant rent will be effective on the date stated in the PHA notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the PHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the PHA. The owner must immediately return any excess payment to the tenant.

Tenant and PHA Responsibilities

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the PHA.
Likewise, the PHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The PHA is not

responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The PHA may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

Utility Reimbursements

If the amount of the utility allowance exceeds the total tenant payment, the PHA must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

The PHA may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If the PHA chooses to pay the utility supplier directly, the PHA must notify the family of the amount paid to the utility supplier.

HACP Policy:

The HACP will make utility reimbursements to the family.

17-I□D□OTHER FEES AND CHARGES □24 CFR 983□354□

Meals and Supportive Services

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

Other Charges by Owner

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

End of Administrative Plan

GLOSSAR□

A□ ACRON□MS USED IN THE HOUSING CHOICE VOUCHER (HCV) PROGRAM

AAF	Annual adjustment factor (published by H□D in the *Federal Register* and used to compute annual rent adjustments)
ACC	Annual contributions contract
ADA	Americans with Disabilities Act of 1990
AIDS	Acquired immune deficiency syndrome
BR	Bedroom
CDBG	Community Development Block Grant (Program)
CFR	Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as “the regulations”)
CPI	Consumer price index (published monthly by the Department of Labor as an inflation indicator)
EID	Earned income disallowance
EIV	Enterprise Income Verification
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration (H□D Office of Housing)
FHEO	Fair Housing and Equal Opportunity (H□D Office of)
FICA	Federal Insurance Contributions Act (established Social Security taxes)
FMR	Fair market rent
FR	Federal Register
FSS	Family Self-Sufficiency (Program)
F□	Fiscal year
F□E	Fiscal year end
GAO	Government Accountability Office
GR	Gross rent
HA	HACP or housing agency
HAP	Housing assistance payment
HCV	Housing choice voucher
HQS	Housing quality standards

HUD	Department of Housing and □rban Development
HUDCLIPS	H□D Client Information and Policy System
IPA	Independent public accountant
IRA	Individual retirement account
IRS	Internal Revenue Service
JTPA	□ob Training Partnership Act
LBP	Lead-based paint
LEP	Limited English proficiency
MSA	Metropolitan statistical area (established by the □.S. Census Bureau)
MTCS	Multi-family Tenant Characteristics System (now the Form H□D-50058 submodule of the PIC system)
MTW	Moving to Work
NOFA	Notice of funding availability
OGC	H□D's Office of General Counsel
OIG	HUD's Office of Inspector General
OMB	Office of Management and Budget
PASS	Plan to Achieve Self-Support
PHA	Public housing agency
PIC	PIH Information Center
PIH	(H□D Office of) Public and Indian Housing
PS	Payment standard
QC	□uality control
REAC	(H□D) Real Estate Assessment Center
RFP	Request for proposals
RFTA	Request for tenancy approval
RIGI	Regional inspector general for investigation (handles fraud and program abuse matters for H□D at the regional office level)
SEMAP	Section 8 Management Assessment Program
SRO	Single room occupancy
SSA	Social Security Administration

SSI	Supplemental security income
SWICA	State wage information collection agency
TANF	Temporary assistance for needy families
TPV	Tenant protection vouchers
TR	Tenant rent
TTP	Total tenant payment
UA	□tility allowance
UFAS	□niform Federal Accessibility Standards
UIV	□pfront income verification
URP	□tility reimbursement payment
VAWA	Violence Against Women Reauthorization Act of 2013

B GLOSSAR OF SUBSIDIED HOUSING TERMS:

Absorption In portability (under subpart H of this part 982) the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

Accessible The facility or portion of the facility can be approached, entered, and used by persons with disabilities.

Adjusted income Annual income, less allowable HD deductions and allowances.

Administrative fee. Fee paid by HD to the PHA for administration of the program. See 982.152.

Administrative plan. The plan that describes PHA policies for administration of the tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and included as a supporting document to the PHA Plan. See 982.54.

Admission The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program.

Affiliated individual. With respect to an individual, a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in loco parentis (in the place of a parent), or any individual, tenant, or lawful occupant living in the household of that individual

Amortization payment. In a manufactured home space rental The monthly debt service payment by the family to amortize the purchase price of the manufactured home.

Annual. Happening once a year.

Annual contributions contract (ACC). The written contract between HD and a PHA under which HD agrees to provide funding for a program under the 1937 Act, and the PHA agrees to comply with HD requirements for the program.

Annual income The anticipated total income of an eligible family from all sources for the
12-month period following the date of determination of income, computed in accordance with the regulations.

Applicant (applicant family). A family that has applied for admission to a program but is not yet a participant in the program.

Area exception rent. An amount that exceeds the published FMR. See 24 CFR 982.504(b).

As-paid states. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

Assets□(See *net family assets.*)

Auxiliary aids. Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving federal financial assistance.

Biennial. Happening every two years.

Bifurcate. With respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

Budget authority. An amount authorized and appropriated by the Congress for payment to PHAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by H□D to the PHA over the ACC term of the funding increment.

Child. *A* member of the family other than the family head or spouse who is under 18 years of age.

Childcare expenses□Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Citizen. *A* citizen or national of the □nited States.

Cohead. An individual in the household who is equally responsible for the lease with the head of household. A family may have a cohead or spouse but not both. A cohead never qualifies as a dependent. The cohead must have legal capacity to enter into a lease.

Common space□In shared housing, the space available for use by the assisted family and other occupants of the unit.

Computer match. The automated comparison of databases containing records about individuals.

Confirmatory review. An on-site review performed by H□D to verify the management performance of a PHA.

Consent form□Any consent form approved by H□D to be signed by assistance applicants and participants to obtain income information from employers and

SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and retirement income); and return information for unearned income from the IRS. Consent forms expire after a certain time and may authorize the collection of other information to determine eligibility or level of benefits.

Congregate housing. Housing for elderly persons or persons with disabilities that meets the H□S for congregate housing. A special housing type□see 24 CFR 982.606–609.

Contiguous MSA. In portability (under subpart H of part 982)□An MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

Continuously assisted. An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

Contract authority. The maximum annual payment by H□D to a PHA for a funding increment.

Cooperative (term includes mutual housing). Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type (see 24 CFR 982.619).

Covered families□Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which federal, state or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

Dating violence. Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and 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

Dependent□A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

Dependent child. In the context of the student eligibility restrictions, a dependent child of a student enrolled in an institution of higher education. The dependent

child must also meet the definition of *dependent* as specified above.

Disability assistance expenses Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member, and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Disabled family A family whose head, cohead, spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled person. See *person with disabilities.*

Disallowance. Exclusion from annual income.

Displaced family A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.

Domestic violence. Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by 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.

Domicile The legal residence of the household head or spouse as determined in accordance with state and local law.

Drug-related criminal activity. The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug.

Economic self-sufficiency program Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families. Can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as treatment for drug abuse or mental health treatment). Includes any work activities as defined in the Social Security Act (42 .S.C. 607(d)). Also see 24 CFR 5.603(c).

Elderly family A family whose head, cohead, spouse, or sole member is a person who is at least 62 years of age; two or more persons who are at least

62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

Elderly person An individual who is at least 62 years of age.

Eligible family A family that is income eligible and meets the other requirements of the 1937 Act and Part 5 of 24 CFR. See also *family.*

Employer identification number (EIN) The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.

Evidence of citizenship or eligible status The documents which must be submitted as evidence of citizenship or eligible immigration status. See 24 CFR 5.508(b).

Extremely low-income family. A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher. Area median income is determined by H D, with adjustments for smaller and larger families. H D may establish income ceilings higher or lower than 30 percent of median income if H D finds such variations are necessary due to unusually high or low family incomes. See 24 CFR 5.603.

Facility. All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock, or other real or personal property or interest in the property.

Fair Housing Act. Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988.

Fair market rent (FMR) The rent, including the cost of utilities (except telephone), as established by H D for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the *Federal Register* in accordance with 24 CFR Part 888.

Family Includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, and can be further defined in PHA policy

A family with or without children (the temporary absence of a child from the home due to placement in foster care is not considered in determining family composition and family size)

An elderly family or a near-elderly family

A displaced family

The remaining member of a tenant family

A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

Family rent to owner. In the voucher program, the portion of rent to owner paid by the family.

Family self-sufficiency program (FSS program). The program established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 □.S.C. 1437u).

Family share. The portion of rent and utilities paid by the family. For calculation of family share, see 24 CFR 982.515(a).

Family unit size. The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.

Federal agency □A department of the executive branch of the federal government.

Foster childcare payment □A payment to eligible households by state, local, or private agencies appointed by the state to administer payments for the care of foster children.

Full-time student. A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended). See 24 CFR 5.603.

Funding increment. Each commitment of budget authority by H□D to a PHA under the consolidated annual contributions contract for the PHA program.

Gender identity. Actual or perceived gender-related characteristics.

Gross rent. The sum of the rent to owner plus any utility allowance.

Group home. A dwelling unit that is licensed by a state as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide). (A special housing type□see 24 CFR 982.610–614.)

Handicap □Any condition or characteristic that renders a person an individual with handicaps. (See *person with disabilities*.)

HAP contract. The housing assistance payments contract. A written contract between the PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family.

Head of household. The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

Household. A household includes additional people other than the family who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

Housing assistance payment. The monthly assistance payment by a PHA, which includes□(1) A payment to the owner for rent to the owner under the family's lease; and (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing agency (HA). See *public housing agency.*

Housing quality standards (HQS). The H□D minimum quality standards for housing assisted under the voucher program.

HUD. The □.S. Department of Housing and □rban Development.

Imputed asset. An asset disposed of for less than fair market value during the two years preceding examination or reexamination.

Imputed asset income. The PHA-established passbook rate multiplied by the total cash value of assets. The calculation is used when net family assets exceed $5,000.

Imputed welfare income. An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction but is included in the family's annual income and therefore reflected in the family's rental contribution.

Income□Income from all sources of each member of the household, as determined in accordance with criteria established by H□D.

Income for eligibility. Annual income.

Income information means information relating to an individual's income, including□

- All employment income information known to current or previous employers or other income sources
- All information about wages, as defined in the state's unemployment compensation law, including any social security number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and, when known, employer identification number of an employer reporting wages under a state unemployment compensation law
- Whether an individual is receiving, has received, or has applied for unemployment compensation, and the amount and the period received
- □nearned IRS income and self-employment, wages, and retirement income
- Wage, social security, and supplemental security income data obtained from the Social Security Administration.

Individual with handicaps□See *person with disabilities.*

Initial PHA In portability, the term refers to both (1) A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and (2) A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

Initial payment standard. The payment standard at the beginning of the HAP contract term.

Initial rent to owner. The rent to owner at the beginning of the HAP contract term.

Institution of higher education. An institution of higher education as defined in 20 .S.C. 1001 and 1002. See Exhibit 3-2 in this Administrative Plan.

Jurisdiction The area in which the PHA has authority under state and local law to administer the program.

Landlord Either the owner of the property or his/her representative, or the managing agent or his/her representative, as shall be designated by the owner.

Lease A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA

Live-in aide A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who

- Is determined to be essential to the care and well-being of the persons;
- Is not obligated for the support of the persons; and
- Would not be living in the unit except to provide the necessary supportive services.

Living/sleeping room. A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space. A bedroom or living/sleeping room must have at least one window and two electrical outlets in proper operating condition. See HCV GB p. 10-6 and 24 CFR 982.401.

Local preference. A preference used by the PHA to select among applicant families.

Low-income family. A family whose income does not exceed 80 percent of the median income for the area as determined by H D with adjustments for smaller or larger families, except that H D may establish income limits higher or lower than 80 percent for areas with unusually high or low incomes.

Manufactured home. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence and meets the H S. (A special housing type see 24 CFR 982.620 and 982.621.)

Manufactured home space. In manufactured home space rental A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See 24 CFR 982.622 to 982.624.

Medical expenses Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance (a deduction for elderly or disabled families only). These allowances are given when calculating adjusted income for medical expenses in excess of 3 percent of annual income.

Minor A member of the family household other than the family head or spouse, who is under 18 years of age.

Mixed family. *A* family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

Monthly adjusted income One twelfth of adjusted income.

Monthly income One twelfth of annual income.

Mutual housing. Included in the definition of *cooperative.*

National. *A* person who owes permanent allegiance to the nited States, for example, as a result of birth in a nited States territory or possession.

Near-elderly family A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

Net family assets (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in H D homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under 5.609.

In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a

separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

Noncitizen. *A* person who is neither a citizen nor national of the □nited States.

Notice of funding availability (NOFA). For budget authority that H□D distributes by competitive process, the *Federal Register* document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

Office of General Counsel (OGC) □The General Counsel of H□D.

Overcrowded. A unit that does not meet the following H□S space standards□(1) Provide adequate space and security for the family; and (2) Have at least one bedroom or living/sleeping room for each two persons.

Owner □Any person or entity with the legal right to lease or sublease a unit to a participant.

PHA Plan. The annual plan and the 5-year plan as adopted by the PHA and approved by H□D.

PHA's quality control sample. An annual sample of files or records drawn in an unbiased manner and reviewed by a PHA supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements. For minimum sample size see CFR 985.3.

Participant (participant family). A family that has been admitted to the PHA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term).

Payment standard. The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

Person with disabilities. *For the purposes of program eligibility*. A person who has a disability as defined under the Social Security Act or Developmental Disabilities Care Act, or a person who has a physical or mental impairment expected to be of long and indefinite duration and whose ability to live independently is substantially impeded by that impairment but could be improved by more suitable housing conditions. This includes persons with AIDS or conditions arising from AIDS but excludes persons whose disability is based solely on drug or alcohol dependence. *For the purposes of reasonable accommodation.* A person with a physical or mental impairment that substantially limits one or more major life activities, a person regarded as having such an impairment, or a person with a record of such an impairment.

Portability Renting a dwelling unit with a Section 8 housing choice voucher outside the jurisdiction of the initial PHA.

Premises The building or complex in which the dwelling unit is located, including common areas and grounds.

Previously unemployed. With regard to the earned income disallowance, a person with disabilities who has earned, in the 12 months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Private space In shared housing, the portion of a contract unit that is for the exclusive use of an assisted family.

Processing entity The person or entity that, under any of the programs covered, is responsible for making eligibility and related determinations and any income reexamination. In the HCV program, the "processing entity" is the "responsible entity."

Project owner. The person or entity that owns the housing project containing the assisted dwelling unit.

Public assistance Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by federal, state, or local governments.

Public housing agency (PHA) Any state, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

Qualified family (under the earned income disallowance). A family participating in an applicable assisted housing program or receiving HCV assistance

- Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time

payments, wage subsidies and transportation assistance-- provided that the total amount over a six-month period is at least $500.

Qualified census tract. With regard to certain tax credit units, any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent, and where the census tract is designated as a qualified census tract by H□D.

Reasonable rent□A rent to owner that is not more than rent charged□(1) For comparable units in the private unassisted market; and (2) For comparable unassisted units in the premises.

Reasonable accommodation. A change, exception, or adjustment to a rule, policy, practice, or service to allow a person with disabilities to fully access the PHA's programs or services.

Receiving PHA□In portability□A PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

Recertification□Sometimes called *reexamination.* The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported.

Remaining member of the tenant family□The person left in assisted housing who may or may not normally qualify for assistance on their own circumstances (i.e., an elderly spouse dies, leaving widow age 47 who is not disabled).

Rent to owner. The total monthly rent payable to the owner under the lease for the unit (also known as contract rent). Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.

Residency preference. A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area (See *residency preference area*).

Residency preference area. The specified area where families must reside to qualify for a residency preference.

Responsible entity. For the public housing and the Section 8 tenant-based assistance, project-based voucher assistance, and moderate rehabilitation programs, the responsible entity means the PHA administering the program under an ACC with H□D. For all other Section 8 programs, the responsible entity means the Section 8 owner.

Secretary□The Secretary of Housing and □rban Development.

Section 8 Section 8 of the nited States Housing Act of 1937.

Section 8 covered programs. All H D programs which assist housing under Section 8 of the 1937 Act, including Section 8 assisted housing for which loans are made under Section 202 of the Housing Act of 1959.

Section 214. Section 214 of the Housing and Community Development Act of 1980, as amended.

Section 214 covered programs. The collective term for the H D programs to which the restrictions imposed by Section 214 apply. These programs are set forth in 24 CFR 5.500.

Security deposit. A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.

Set-up charges. In a manufactured home space rental, charges payable by the family for assembling, skirting, and anchoring the manufactured home.

Sexual assault. Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks capacity to consent (42 .S.C. 13925(a)).

Sexual orientation. Homosexuality, heterosexuality or bisexuality.

Shared housing. A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. (A special housing type see 24 CFR 982.615–982.618.)

Single person. A person living alone or intending to live alone.

Single room occupancy housing (SRO). A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. (A special housing type see 24 CFR 982.602–982.605.)

Social security number (SSN) The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

Special admission. Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

Special housing types See subpart M of part 982. Subpart M states the special regulatory requirements for SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

Specified welfare benefit reduction. Those reductions of welfare benefits (for a covered family) that may not result in a reduction of the family rental

contribution. A reduction of welfare benefits because of fraud in connection with the welfare program, or because of welfare sanction due to noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

Spouse. The marriage partner of the head of household.

Stalking. To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

State wage information collection agency (SWICA) The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Subsidy standards. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Suspension The term on the family's voucher stops from the date 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. This practice is also called *tolling.*

Tax credit rent. With regard to certain tax credit units, the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Tenancy addendum. For the housing choice voucher program, the lease language required by H D in the lease between the tenant and the owner.

Tenant The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

Tenant rent to owner. See *family rent to owner*.

Term of lease. The amount of time a tenant agrees in writing to live in a dwelling unit.

Total tenant payment (TTP) The total amount the H D rent formula requires the tenant to pay toward rent and utilities.

Unit Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero (0) bedrooms to six (6) bedrooms.

Utilities. Water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection, and sewage services. Telephone service is not included.

Utility allowance If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or H D of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

Utility reimbursement In the voucher program, the portion of the housing assistance payment which exceeds the amount of rent to owner.

Utility hook-up charge. In a manufactured home space rental Costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

Very low-income family. A low-income family whose annual income does not exceed 50 percent of the median income for the area, as determined by H D, with adjustments for smaller and larger families. H D may establish income limits higher or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the housing choice voucher program.

Veteran. A person who has served in the active military or naval service of the nited States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

Violence Against Women Reauthorization Act (VAWA) of 2013. Prohibits denying admission to the program to an otherwise qualified applicant or terminating assistance on the basis that the applicant or program participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

Violent criminal activity. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Voucher *(housing choice voucher).* A document issued by a PHA to a family selected for admission to the housing choice voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.

Voucher holder. A family holding a voucher with an unexpired term (search time).

Voucher program. The housing choice voucher program.

Waiting list. A list of families organized according to H□D regulations and PHA policy who are waiting for a unit to become available.

Waiting list admission. An admission from the PHA waiting list.

Welfare assistance. Income assistance from federal or state welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, childcare or other services for working families. For the FSS program (984.103(b)), *welfare assistance* includes only cash maintenance payments from federal or state programs designed to meet a family's ongoing basic needs, but does not include food stamps, emergency rental and utilities assistance, SSI, SSDI, or social security.

BEFORE THE HOUSING AUTHORITY OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a Housing Authority Resolution)
Approving the Pittsburg Housing Authority) RESOLUTION NO. 21-349
Administrative Plan for 2021)

WHEREAS, the Housing Authority of the City of Pittsburg (the "Housing Authority") has made significant modifications, as reflected in the format and language of the Administrative Plan for 2021, which incorporates the revision to the policy; and

WHEREAS, a Public Notice was published in the East County Times on November 02, 2021; commencing the 45-day period to submit written comments. The public hearing scheduled for this evening is to address any written comments received during the noticing period and to allow comments prior to the approval of the Administrative Plan for 2021 by the Housing Authority board; and

WHEREAS, in compliance with federal regulations, the Housing Authority has revised its Administrative Plan addressing the delivery of housing services in the Pittsburg community and thereby, satisfying the Department of Housing and Urban Development ("HUD") requirements to update the Administrative Plan; and

WHEREAS, the adoption of the Housing Authority Administrative Plan for 2021 is in the best interest of the citizens of Pittsburg.

NOW, THEREFORE BE IT RESOLVED that the Governing Board of the Housing Authority of the City of Pittsburg hereby:

1. Declares the Administrative Plan for 2021 is a thorough and complete document.

2. Adopts this Resolution and the Administrative Plan for 2021 incorporated herein by this reference.

3. Makes the Administrative Plan for 2021 available for review at the Housing Authority located at 916 Cumberland Street, Pittsburg, CA 94565 and on the City of Pittsburg website.

PASSED AND ADOPTED by the Governing Board of the Housing Authority of the City of Pittsburg at a regular meeting on the 18th day of January 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Chair

ATTEST:

_____
Alice E. Evenson, City Clerk

NOTICE OF PUBLIC HEARING

HOUSING AUTHORITY OF THE CITY OF PITTSBURG
2021 PHA ADMINISTRATIVE PLAN REVISIONS

Notice is hereby given that the Housing Authority of the City of Pittsburg will hold a Public Hearing regarding proposed revisions to the PHA Administrative Plan for 2021. This plan include the mission, goals and objectives as well as the Housing Authority's involvement in the provision of affordable housing in Pittsburg, through the Housing Choice Voucher Program.

A minimum forty-five (45) day public comment period prior to the Public Hearing, will commence on November 2,2021 to receive public input on the Housing Authority of the City of Pittsburg's PHA Administrative Plan revisions for 2021.

Proponents, opponents and any interested persons may submit written comments during the public comment period no later than **December 20, 2021 by 5:00 p.m.** to:

Housing Authority of the City of Pittsburg
916 Cumberland Street, Pittsburg, CA 94565
Attn: Bruce Smargiasso, Housing Manager

The **Public Hearing** will take place on the following date, time and location:

Date:	**Monday, December 20, 2021**
Time:	**7:00 p.m**.
Location:	**Zoom Teleconference/Streaming Video (see public advisory on the next page)**

The PHA Administrative Plan revisions for 2021 are available for review at the City of Pittsburg Housing Authority, located at 916 Cumberland Street, Pittsburg, CA 94565, between the hours of 8:00 a.m. to 12:00 p.m. and 1:00 p.m. to 5:00 p.m., Monday through Friday.

PUBLIC ADVISORY:
THE CITY COUNCIL CHAMBER WILL NOT BE OPEN TO THE PUBLIC

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the meeting of the City Council will be conducted electronically through Zoom and broadcast live through Granicus on the City's website. Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Council Chamber will not be open for the meeting. Council Members will be participating electronically and will not be physically present in the Council Chamber.

Beginning with the January 19, 2021 City Council Meeting, live comments will be allowed by members of the public via teleconferencing during Zoom meetings and written comments received after 3:00 p.m. will be read aloud by staff. To be placed in a queue to comment, please adhere to the following instructions.

To Participate in Public Comment During the Meeting:

- Notify the City Clerk's Office via email by 3:00 p.m. on the meeting date that you would like to be placed in the queue for general Public Comments, or comments on a specific agenda item. Requests received after 3:00 p.m. on the date of the meeting will not be able to comment.
- Email your name and telephone number to meetingcomments@ci.pittsburg.ca.us. We need both identifications to pair you with the item you wish to speak on. You must also be sure that you call in using the number you have provided or we may not be able to identify you as a speaker.
- Your email must include the words **"FOR PUBLIC COMMENT"** in the subject line and specify the **Agenda Item number or Non-Agenda** as appropriate.
- You will receive an email confirmation with instructions to log in.
- Once the meeting starts (check the Streaming Media link on our website – www.ci.pittsburg.ca.us) you can phone in to Zoom. If you log in before the event has actually started you may be disconnected.
- You will be added to the meeting as an attendee and will be called upon by staff for phone-in comments.
- Speakers will be muted until their opportunity to provide public comment.
- All comments will be subject to the three-minute time limitation (approximately 350 words).
- Begin your comment by providing your name and city of residence for the record – although providing this is not required for participation.
- Just as in a live meeting inside the Council Chamber, only one comment per agenda item per person is allowed.

The City of Pittsburg thanks you in advance for taking all precautions to prevent the spread of the COVID 19 virus.

Housing Authority of the City of Pittsburg

Housing Authority of the City of Pittsburg Administrative Plan 2021-2022

Definition & Purpose

- The Administrative Plan is the operational manual for the housing choice voucher program.

- The plan establishes local policies for administration of the program in accordance with HUD requirements.

- It is the supporting document to the PHA 5-Year & Annual Plan

Significant Changes

- Family Definition Clarification
- Future Wait List Policy Revision
- Policy for Adding Family Members
- VAWA Language & Policy Update
- PBV Referral Policy Change for Veteran's Square

Recommendation

The Governing Board of the Housing Authority open the public hearing, receive testimony, close the public hearing, consider the public comments, and adopt the Resolution approving the Administrative Plan for 2021-2022.

Housing Authority of the City of Pittsburg

Questions?

CITY OF PITTSBURG
HOUSING AUTHORITY MEETING MINUTES

DATE: November 15, 2021

LOCATION: Council Chamber, City Hall, 65 Civic Avenue, Pittsburg, CA 94565

CITY COUNCIL.AGENCY MEMBERS
Marilyn Craft, Mayor/Chair
Holland Barrett White, Vice-Mayor/Chair
Shanelle Scales-Preston, Council/Agency Member
Juan Antonio Banales, Council/Agency Member
Jelani Killings, Council/Agency Member
S.L. Floyd, Agency Member
Annie Hill Herring, Agency Member

APPOINTED OFFICIALS
Garrett Evans, City Manager/Executive Director
Donna Mooney, City Attorney/Legal Counsel
Alice E. Evenson, City Clerk/Agency Secretary (elected)
Nancy Parent, City Treasurer (elected)

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the regular meeting of the City Council for November 15, 2021 was conducted electronically for Closed Session and through Zoom with broadcasting live through Granicus on the City's website. Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Council Chamber was not open for the meeting. Council Members participated electronically or through Zoom and were not physically present in the Council Chamber.

CALL TO ORDER

Chair Craft called the meeting of the Housing Authority to order at 7:54 P.M. in the City Council Chamber at City Hall, 65 Civic Avenue, Pittsburg, California.

ROLL CALL

All Members were present.

CONSENT CALENDAR

On motion by Member Banales, seconded by Vice-Chair White to adopt and carried unanimously.

6. Minutes of August 16, 2021, October 4, 2021, and November 1, 2021

7. Disbursement Lists of July 31, 2021, August 31, 2021 and September 30, 2021

8. Adoption of a Housing Authority Resolution Establishing an Interest-Bearing Money Market Account to Serve as Collateral for a Housing Authority Line of Credit.

9. Adoption of a Housing Authority Resolution Authorizing Execution of an Agreement Between the Housing Authority and Yardi Systems, Inc. for Procurement of a Voyager SaaS Select Software

HOUSING AUTHORITY MEMBER REMARKS

Member Floyd thanked the District Attorney for her review of services and in particular the awareness of the cameras on Highway 4 and their impact.

Member Herring asked for information on the community court.

ADJOURNMENT

The Housing Authority was adjourned at 7:57 P.M.

Respectfully submitted,

Alice E. Evenson, Secretary

CITY OF PITTSBURG
CITY COUNCIL/AGENCY CONCURRENT MEETING MINUTES

DATE: November 29, 2021

LOCATION: Council Chamber, City Hall, 65 Civic Avenue, Pittsburg, CA 94565

CITY COUNCIL.AGENCY MEMBERS
Marilyn Craft, Mayor/Chair
Holland Barrett White, Vice-Mayor/Chair
Shanelle Scales-Preston, Council/Agency Member
Juan Banales, Council/Agency Member
Jelani Killings, Council/Agency Member
S.L. Floyd, Agency Member
Annie Hill Herring, Agency Member

APPOINTED OFFICIALS
Garrett Evans, City Manager/Executive Director
Donna Mooney, City Attorney/Legal Counsel
Alice E. Evenson, City Clerk/Agency Secretary (elected)
Nancy Parent, City Treasurer (elected)

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the regular meeting of the City Council for November 29, 2021 was conducted electronically for Closed Session and through Zoom with broadcasting live through Granicus on the City's website. Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Council Chamber was not open for the meeting. Council Members participated electronically or through Zoom and were not physically present in the Council Chamber.

Mayo/Chair Craft called the Meeting of the City Council to order at 5:04 P.M. in the City Council Chamber at City Hall, 65 Civic Avenue, Pittsburg, CA.

ROLL CALL

All Members were present.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

PUBLIC COMMENTS

There were no public comments.

CONSIDERATION

1. Adoption of Resolutions Making Findings in Support of Continuing to Hold Public Meetings by Teleconference Pursuant to California Government Code Section 54953(e)

On Motion by Mayor/Chair Craft, seconded by Vice-Mayor/Chair White to adopt the resolution with the following changes. The final paragraph of the resolution will read: be it further resolved that the City Council hereby approves meetings of the boards and subcommittees to be held by teleconference in compliance with California government code 54953e. Be it further resolved that the City Council and all Commissions shall meet in person and the public may attend in person so long as they are required to show proof of vaccination or negative test results 72 hours prior to the meeting; masks are required for all in attendance in person, social distance is required in the meeting room/Council Chamber and staff is required to monitor the CDC and County Health dashboard.

Mayor/Chair Craft withdrew the Motion.

On Motion by Vice-Mayor White, seconded by Member Scales-Preston to keep business as usual with virtual meetings and Motion failed with the following vote:

AYES: Scales-Preston, White
NOES: Banales, Killings
ABSTAIN: Craft

On Motion by Mayor Craft, seconded by Member Banales to adopt the resolution with the following changes. Meetings of the City Council and Commissions shall be in person except that members of the public would attend by teleconference and carried unanimously.

On Motion by Mayor Craft, seconded by Member Banales to adopt the resolutions of the Governing Boards with the following changes. Meetings of the City Council and Commissions shall be in person except that members of the public would attend by teleconference and carried unanimously.

The City Council recessed at 5:52 P.M.

The City Council adjourned at 6:02 P.M. to a Joint Workshop with the Planning Commission for Envision Pittsburg General Plan Update Land Use Alternatives.

ADJOURNMENT

The Workshop adjourned at 8:00 P.M. to December 6, 2021.

Respectfully submitted,

Alice E. Evenson, City Clerk

HOUSING AUTHORITY OF THE CITY OF PITTSBURG
DISBURSEMENT SUMMARY
FOR THE MONTH ENDED OCTOBER 31ST, 2021

VOUCHERS

Ck#	Amount	HAP[1]	VASH[2]	UR[3]	Portability	Admin. Fee	TOTAL
50217-50356 90121001-90121469	$ 1,598,678.90	1,483,221.43	94,827.44	11,207.32	8,742.00	680.71	$ 1,598,678.90
50357-50369 91521001-91521004	25,600.00	22,676.00	2,924.00	-	-	-	25,600.00
TOTAL	**$ 1,624,278.90**	**1,505,897.43**	**97,751.44**	**11,207.32**	**8,742.00**	**680.71**	**$ 1,624,278.90**

[1]Housing Assistance Payment [2]Veterans Affairs Supportive Housing [3]Utility Reimbursement

ADMINISTRATIVE EXPENSES

Description	TOTAL
Salaries and Wages	$ 66,420.89
Salary Stipend	6,650.00
Salaries- Overtime	461.43
Retirement Miscellaneous	4,963.39
Retirement - Pension Bonds	7,665.50
Health Insurance - Employees	14,052.48
Additional CalPERS Pension Contribution	439.39
Life Insurance	78.34
Dental Insurance	1,217.76
Vision - Employee	140.64
Workers' Compensation	2,368.43
Unemployment Insurance	432.06
Disability Insurance	148.71
F I C A & Medicare	5,678.04
Deferred Compensation - Employer	1,125.00
Vac Buy-Bk/Empl Termination	1,061.17
Pension 115 Trust	655.92
Retiree OPEB Costs	3,017.83
Computer Software Expense	350.00
Postage	156.99
Misc Equip & Furniture < $5,000	3,248.26
Utilities - Electric	1,649.82
Utilities - Water	13.84
Utilities - Telephone Service	670.58
Utilities - WiFi/Cellphone Service	231.65
Membership Dues & Subscriptions	1,480.88
Travel, Training & Conferences	655.00
Insurance - Alloc Chgs	3,246.33
Other Contractual & Professional Service	8,672.44
Maintenance Agreements	5,196.55
Equipment Rental	155.90
Building Rental	2,375.00
Fleet Maintenance Alloc Chgs	576.58
Building Maintenance Alloc Chgs	1,769.42
Information Systems Alloc Chgs	1,755.67
Admin Overhead Paid to City	4,830.33
Utilities - Water (Rental Program)	45.39
Other fees (Rental Program)	279.53
Transfer-Out to OPEB Fund(Unfunded Liab)	1,556.67
	-
	-
	$ 155,493.81

VOIDED CHECKS & ADJUSTMENTS

Ck#	Reason	Amount
10121460	Void check	$ (1,354.00)
		-
	TOTAL	$ (1,354.00)

Prepared by: HB
Reviewed by: LM

NET OF ISSUED AND VOIDED PAYMENTS $ 1,778,418.71

Check Summary

October 1, 2021

	Check Number	Check Date	Payee Tax ID	Payee	Amount
Housing Choice Voucher					
*	50002	10/1/21	*****2494	Amana K Cornish	**30.00**
	50003	10/1/21	*****7533	Angelique F Davis	**103.00**
	50004	10/1/21	*****7730	Ashley M Brown	**147.00**
	50005	10/1/21	*****4973	Be Thi Nguyen	**39.00**
	50006	10/1/21	*****1702	Christina M Fitzgerald	**63.00**
	50007	10/1/21	*****4282	Cynthia g Cones	**33.00**
	50008	10/1/21	*****0269	Dajon W Smith	**47.00**
	50009	10/1/21	*****9835	Darrell C Carter	**15.00**
	50010	10/1/21	*****3976	Darren M Thompson	**36.00**
	50011	10/1/21	*****2319	Delfonse A Lewis	**173.00**
	50012	10/1/21	*****3528	Elisa Johnson	**175.00**
	50013	10/1/21	*****3840	Eva L Mangum	**85.00**
	50014	10/1/21		Franchise Tax Board	**253.50**
	50015	10/1/21	*****6015	Jade Nelson	**123.00**
	50016	10/1/21	*****7910	Javecia M Horton	**23.00**
	50017	10/1/21	*****6377	Jo Ann Brooks	**29.00**
	50018	10/1/21	*****4091	Joshua C Perez	**220.00**
	50019	10/1/21	*****2855	Karen L Dixon	**11.00**
	50020	10/1/21	*****2309	Kawanda M Dotson	**34.00**
	50021	10/1/21	*****6519	Krystal M Williams	**67.00**
	50022	10/1/21	*****7253	Laneava S Blanks	**38.00**
	50023	10/1/21	*****3960	Lyniece N Eddins	**1.00**
	50024	10/1/21	*****3347	Maria B Martinez	**14.00**
	50025	10/1/21	*****8042	Melissa J Perkins	**234.00**
	50026	10/1/21	*****7988	Melvina D Brunt	**190.00**
	50027	10/1/21	*****0451	Michelle A Manuel-Carter	**116.00**
	50028	10/1/21	*****8275	Mildred G Botello	**110.00**
	50029	10/1/21	*****2674	Monika Smith	**37.00**
	50030	10/1/21	*****9905	Nakisha Fountain	**137.00**
	50031	10/1/21	*****8665	Nieza M Burrus	**250.00**
	50032	10/1/21	*****4119	Pashenia D Sanders	**115.00**
	50033	10/1/21	*****6935	Samaiyah A Warren	**67.00**
	50034	10/1/21	*****5994	Shamia L Patterson	**304.00**
	50035	10/1/21	*****3403	Shanae V Washington	**98.00**

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50036	10/1/21	*****3817	Tameka T Thomas	**554.00**
50037	10/1/21	*****3772	Tatyana A Jackson	**39.00**
50038	10/1/21	*****6806	Thelma R Hearne	**21.00**
50039	10/1/21	*****1595	Theresa M Evans	**51.00**
50040	10/1/21	*****5301	Tiffany N Butler	**121.00**
50041	10/1/21	*****1418	Patricia A Blocker	**27.00**
50042	10/1/21	*****8240	Vanna L Warga	**430.00**
50043	10/1/21	*****1654	Jaime M Lopez	**175.00**
50044	10/1/21	*****2890	Raquel E Miller	**57.00**
50045	10/1/21	*****1679	Albert K Lea III	**466.00**
50046	10/1/21	*****5232	Danielle M Thomas	**56.00**
50047	10/1/21	*****0164	Bobbie J Royston	**144.00**
50048	10/1/21	*****4208	Ono c Rothschild	**317.00**
50049	10/1/21	*****2184	Evelyn Smith	**109.00**
50050	10/1/21	*****9858	Livis J Sanders	**15.00**
50051	10/1/21	*****3035	Irma M Castillo	**53.00**
50052	10/1/21	*****5133	Mary P Grigsby	**141.00**
50053	10/1/21	*****3180	Kamika C Thigpen	**9.00**
50054	10/1/21	*****8373	Vonia Jackson	**131.00**
50055	10/1/21	*****8612	Regina D Tucker	**68.00**
50056	10/1/21	*****9687	Carol J Davis	**48.00**
50057	10/1/21	*****6015	Sherron A Camp	**292.00**
50058	10/1/21	*****9122	Nancy M Parrish	**214.00**
50059	10/1/21	*****0531	Akilah Z Parker	**145.00**
50060	10/1/21	*****5492	Michelle m Berry	**7.00**
50061	10/1/21	*****7135	Michele N Nichols	**80.00**
50062	10/1/21	*****8831	Theresa p Jones	**7.00**
50063	10/1/21	*****5626	Lashawn P Fields	**3.00**
50064	10/1/21	*****5232	Kristina M Greer	**81.00**
50065	10/1/21	*****3113	Mannah S Parrott	**79.00**
50066	10/1/21	*****6215	Janet Brown	**118.36**
50067	10/1/21	*****4767	Freddie L Henderson	**39.00**
50068	10/1/21	*****3181	Shirley J Strausbaugh	**11.00**
50069	10/1/21	*****2695	Monique Thompson	**60.00**
50070	10/1/21	*****0903	Virgie r Gray	**61.00**
50071	10/1/21	*****6507	Melissa R Griffin	**29.00**
50072	10/1/21	*****1129	Tiffany L Pellom	**22.00**
50073	10/1/21	*****4987	Delois Sanford	**11.00**
50074	10/1/21	*****3869	Charlene M Best	**22.00**
50075	10/1/21	*****8818	Renee d Ford	**66.00**
50076	10/1/21	*****4721	Ebony N Manning	**42.00**

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50077	10/1/21	*****4651	Lisa Rantissi	**23.00**
50078	10/1/21	*****7571	Jamila M Al-Malik	**74.00**
50079	10/1/21	*****8494	Kimdreal G Venson	**101.00**
50080	10/1/21	*****5692	Jakeesha S Acree	**470.00**
50081	10/1/21	*****1606	Tamika Brown	**62.00**
50082	10/1/21	*****8308	DeAndre A Ellingberg	**106.00**
50083	10/1/21	*****5083	Crystal j Houston	**229.00**
50084	10/1/21	*****8992	Carrie L Saravia	**275.00**
50085	10/1/21	*****6858	Shawna M Jones	**43.00**
50086	10/1/21	*****6573	Hermajo L Hoskins	**111.00**
50087	10/1/21	*****8533	Ebony N Washington	**265.00**
50088	10/1/21	*****0256	Debra Gregory	**33.00**
50089	10/1/21	*****3277	Stacie J Hogan	**167.00**
50090	10/1/21	*****8765	Antoinette D Durrett	**178.00**
50091	10/1/21	*****2542	Sau C Ly	**26.00**
50092	10/1/21	*****6953	Nathan Banks JR	**23.00**
50093	10/1/21	*****0342	Beverly A Lockwood	**7.00**
50094	10/1/21	*****0410	Ashley S Andrews	**26.00**
50095	10/1/21	*****6598	Ardean M Goulart	**39.00**
50096	10/1/21	*****7390	Masuda Nawabi	**15.00**
50097	10/1/21	*****1951	Vinisha D Thornton	**97.00**
50098	10/1/21	*****0849	Briana l Edwards	**132.00**
50099	10/1/21	*****7822	Daudi K Edmond	**55.00**
50100	10/1/21	*****5758	Monique c Chaves	**165.00**
50101	10/1/21	*****6095	Leilani S Gomez	**280.00**
50102	10/1/21	*****9325	JOW & AAW, LLC	**1,706.00**
50103	10/1/21	*****6825	A Classey Corp. DBA: ACL Property Management	**2,105.00**
50104	10/1/21	*****9326	Western Addition Apartments, LLC	**4,145.00**
50105	10/1/21	*****8574	Alamo Square Apartments LLC	**2,601.00**
50106	10/1/21	*****1636	Jimmy Bhatia	**1,486.00**
50107	10/1/21	*****2361	George Edward Cole	**1,635.00**
50108	10/1/21	*****2979	Mr. Donald Rhodes C/O Paul Shatswell Estate	**1,483.00**
50109	10/1/21	*****7079	Federal D Glover	**1,834.00**
50110	10/1/21	*****6137	Guild Mortgage Loan # 503-2003900	**2,458.00**
50111	10/1/21	*****0348	Hartz Property Management	**1,694.00**
50112	10/1/21	*****1057	Diamond Hillside Apartments	**3,274.00**
50113	10/1/21	*****2959	San Francisco Housing Authority	**2,599.14**
50114	10/1/21	*****0978	King County Housing Authority	**1,070.90**
50115	10/1/21	*****3941	Steven Lau	**2,364.00**

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	50116	10/1/21	*****4593	Miaogen Lu		**2,725.00**
	50117	10/1/21	*****3124	Dante McDonald		**1,127.00**
	50118	10/1/21	*****4305	Darryl H. Milburn		**1,789.00**
	50119	10/1/21	*****2593	Ba Nguyen Thu Thi Ngo		**1,963.00**
	50120	10/1/21	*****9182	Lorene Paysinger		**1,816.00**
	50121	10/1/21	*****7243	Linda Phon		**1,480.00**
	50122	10/1/21	*****7605	Portofino Apartments		**2,319.00**
	50123	10/1/21	*****2839	Salmana S. Shah		**1,781.00**
	50124	10/1/21	*****7396	Sierra Pacific Properties		**6,001.00**
	50125	10/1/21	*****8705	Khalid Sultan		**1,695.00**
	50126	10/1/21	*****8191	Albert S Tam		**1,256.00**
	50127	10/1/21	*****5770	Ventana Rental Homes		**1,855.00**
	50128	10/1/21	*****3239	Veritel Homes LLC		**759.00**
	50129	10/1/21	*****1355	San Marcos Villas		**1,419.00**
	50130	10/1/21	*****9322	Western Upper Haight Street Apartments, LLC		**3,513.00**
	50131	10/1/21	*****1102	Ying Na Yeung		**1,467.00**
	50132	10/1/21	*****1535	Fanny Kao Huang		**1,800.00**
	50133	10/1/21	*****7378	Marina Heights Apartments, LP		**21,245.00**
	50134	10/1/21	*****7378	Marina Heights Apartments, LP		**22,038.00**
	50135	10/1/21	*****7378	Marina Heights Apartments, LP		**6,890.00**
*	10121001	10/1/21	*****2626	9th Street Associates, LP	DD - ES	**5,806.00**
	10121002	10/1/21	*****0229	Meerwais Abdiani	DD - ES	**926.00**
	10121003	10/1/21	*****8167	ABJ Enterprises, Inc. dba Blue Line Property Management	DD - ES	**17,142.00**
	10121004	10/1/21	*****9050	Leonda R Addison	DD - ES	**2,103.00**
	10121005	10/1/21	*****7139	Amitabh Agrawal	DD - ES	**1,557.00**
	10121006	10/1/21	*****6232	Rosario Aguilar	DD - ES	**1,117.00**
	10121007	10/1/21	*****5759	Rosa Aguirre	DD - ES	**2,071.00**
	10121008	10/1/21	*****9530	Demetrius Alexander	DD - ES	**1,751.00**
	10121009	10/1/21	*****5726	Jane Alexander	DD - ES	**821.00**
	10121010	10/1/21	*****9681	Dale Alvarez	DD - ES	**1,675.00**
	10121011	10/1/21	*****0104	Cecilia Anderson	DD - ES	**1,974.00**
	10121012	10/1/21	*****9111	Shawn Anderson	DD - ES	**2,233.00**
	10121013	10/1/21	*****5423	Anisa Ebadi	DD - ES	**2,540.00**
	10121014	10/1/21	*****5951	Stoneman Apartments	DD - ES	**31,041.00**
	10121015	10/1/21	*****5951	Stoneman Apartments	DD - ES	**10,954.00**
	10121016	10/1/21	*****8701	Mariteresa Arenson c/o Select 1 Realty	DD - ES	**2,008.00**
	10121017	10/1/21	*****0536	Farideh Assad	DD - ES	**1,981.00**

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10121018	10/1/21	*****0707	Sergeant or Sima Austin	DD - ES	**1,148.00**
10121019	10/1/21	*****4941	Shruti Motilal Ba-Harani	DD - ES	**2,199.00**
10121020	10/1/21	*****2764	Mel L. Banagan	DD - ES	**1,714.00**
10121021	10/1/21	*****4138	Carlos G. Barraza	DD - ES	**820.00**
10121022	10/1/21	*****3909	Ken Bartlett	DD - ES	**1,446.00**
10121023	10/1/21	*****1494	Donald Scott Barbour	DD - ES	**2,627.00**
10121024	10/1/21	*****7563	John Charles Bautista	DD - ES	**1,939.00**
10121025	10/1/21	*****3637	Christine Becerra	DD - ES	**1,175.00**
10121026	10/1/21	*****9093	Holly A Hawkins	DD - ES	**7,093.00**
10121027	10/1/21	*****8614	Charles Bell and Camino Johnson-Bell	DD - ES	**1,815.00**
10121028	10/1/21	*****2521	Belmont Apartments	DD - ES	**27,128.40**
10121029	10/1/21	*****2521	Belmont Apartments	DD - ES	**31,714.00**
10121030	10/1/21	*****2521	Belmont Apartments	DD - ES	**31,381.00**
10121031	10/1/21	*****2521	Belmont Apartments	DD - ES	**1,184.00**
10121032	10/1/21	*****5996	Alex Benjamen	DD - ES	**934.00**
10121033	10/1/21	*****6465	Tennyson Berry	DD - ES	**1,643.00**
10121034	10/1/21	*****8634	Bethel Global Development LLC	DD - ES	**2,403.00**
10121035	10/1/21	*****2209	Gina Bhatia	DD - ES	**2,805.00**
10121036	10/1/21	*****7075	Som N Bhatia	DD - ES	**4,723.00**
10121037	10/1/21	*****0602	Pinakin Bhatt	DD - ES	**2,443.00**
10121038	10/1/21	*****8470	Joseph B. Bachir	DD - ES	**1,605.00**
10121039	10/1/21	*****5924	Steven Booras	DD - ES	**2,265.00**
10121040	10/1/21	*****1438	2018-2 IH Borrower LP	DD - ES	**2,114.00**
10121041	10/1/21	*****2439	Rosie M Boyd	DD - ES	**2,698.00**
10121042	10/1/21	*****8847	Victoria Boyko	DD - ES	**2,051.00**
10121043	10/1/21	*****3037	Kelly Ann Bradford	DD - ES	**1,441.00**
10121044	10/1/21	*****7855	Mariya Briggs	DD - ES	**3,081.00**
10121045	10/1/21	*****6215	Janet Brown	DD - ES	**2,020.64**
10121046	10/1/21	*****7469	Jessica G. Platt	DD - ES	**1,477.00**
10121047	10/1/21	*****9783	Lauren H Brown	DD - ES	**1,768.00**
10121048	10/1/21	*****9954	Blue Sapphire Homes, Inc.	DD - ES	**2,589.00**
10121049	10/1/21	*****2142	Huong T. Bui	DD - ES	**4,200.00**
10121050	10/1/21	*****4042	Donnell I. Carson	DD - ES	**1,863.00**
10121051	10/1/21	*****5079	Castle Creek Company, Inc.	DD - ES	**1,528.00**
			Trust Account		
10121052	10/1/21	*****6006	Christopher Todd Chambers	DD - ES	**2,150.00**
10121053	10/1/21	*****6869	Cora Ann Chambers	DD - ES	**745.00**
10121054	10/1/21	*****5571	P. M. Chaobal	DD - ES	**2,165.00**
10121055	10/1/21	*****9661	Chao Chen	DD - ES	**450.00**
10121056	10/1/21	*****1853	Hong Chen	DD - ES	**4,754.00**

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10121057	10/1/21	*****8946	Jienlin Chen	DD - ES	**4,927.00**
10121058	10/1/21	*****4714	Wenhua Chen	DD - ES	**2,361.00**
10121059	10/1/21	*****5473	Hwa-Yoong Chiu	DD - ES	**2,467.00**
10121060	10/1/21	*****3211	Ada Choi	DD - ES	**2,556.00**
10121061	10/1/21	*****2454	Chun Ok Choi	DD - ES	**3,794.00**
10121062	10/1/21	*****7759	Michele Choi	DD - ES	**2,291.00**
10121063	10/1/21	*****2433	Chau Chung	DD - ES	**2,632.00**
10121064	10/1/21	*****0310	City of Pittsburg Housing Authority	DD - ES	**3,922.00**
10121065	10/1/21	*****3591	Juan F. Clara	DD - ES	**1,373.00**
10121066	10/1/21	*****1362	College Park Housing Authority	DD - ES	**1,023.53**
10121067	10/1/21	*****0855	Adolph Rudolph Cortesi III	DD - ES	**1,670.00**
10121068	10/1/21	*****5708	David Elmer Cortesi	DD - ES	**1,311.00**
10121069	10/1/21	*****0746	Contra Costa County Housing Authority	DD - ES	**1,125.14**
10121070	10/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**30,592.00**
10121071	10/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**31,345.00**
10121072	10/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**11,143.00**
10121073	10/1/21	*****6569	Jeannette D. Crespo	DD - ES	**2,522.00**
10121074	10/1/21	*****7900	Patricia Crosby	DD - ES	**1,664.00**
10121075	10/1/21	*****3327	Jorge Robert Dagys Delevan Catty Leticia Pajoluk	DD - ES	**1,739.00**
10121076	10/1/21	*****6248	Justin Dailey	DD - ES	**1,509.00**
10121077	10/1/21	*****1622	Dam Quang To	DD - ES	**2,721.00**
10121078	10/1/21	*****0793	Danica J. French Evans	DD - ES	**1,714.00**
10121079	10/1/21	*****2963	Audrey Davis	DD - ES	**1,348.00**
10121080	10/1/21	*****0396	Kesha E. Davis	DD - ES	**1,091.00**
10121081	10/1/21	*****8929	Kevin Davidson	DD - ES	**1,252.00**
10121082	10/1/21	*****4961	Paulette Davis	DD - ES	**1,633.00**
10121083	10/1/21	*****6115	Roshan M. Davis	DD - ES	**1,429.00**
10121084	10/1/21	*****9068	Jagdeep or Shashi Dayal	DD - ES	**3,685.00**
10121085	10/1/21	*****2031	Wayman Dea	DD - ES	**1,825.00**
10121086	10/1/21	*****8370	Charles Dellamore	DD - ES	**1,850.00**
10121087	10/1/21	*****5882	David De La Torre	DD - ES	**1,757.00**
10121088	10/1/21	*****1004	Brigitte P. Doan	DD - ES	**5,560.00**
10121089	10/1/21	*****3531	Anna Phuongnam Thi Do	DD - ES	**4,621.00**
10121090	10/1/21	*****9716	JoAnn or Larry Domina	DD - ES	**1,390.00**
10121091	10/1/21	*****5568	Ester Coleman Dunlap	DD - ES	**1,481.00**
10121092	10/1/21	*****5326	Tyrone W. Duncan	DD - ES	**1,756.00**
10121093	10/1/21	*****6538	Linda Duong	DD - ES	**1,345.00**

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10121094	10/1/21	*****3406	Mercy Housing California XXXVIII East Leland Court Apartments	DD - ES	**2,410.00**
10121095	10/1/21	*****0372	Doris Engle Family Ltd Partnership c/o Select 1 Realty	DD - ES	**1,313.00**
10121096	10/1/21	*****3757	Alma B Espiritu	DD - ES	**2,078.00**
10121097	10/1/21	*****4023	Johnathan Espinoza	DD - ES	**1,486.00**
10121098	10/1/21	*****8122	Gerardo M. Esquivel	DD - ES	**1,154.00**
10121099	10/1/21	*****6027	Jianxin Fang	DD - ES	**5,235.00**
10121100	10/1/21	*****1830	Xiangfang Li	DD - ES	**2,779.00**
10121101	10/1/21	*****3602	Favian M. Wong	DD - ES	**2,290.00**
10121102	10/1/21	*****3835	Michael Mao C/O Jing Feng	DD - ES	**2,851.00**
10121103	10/1/21	*****2790	Barbara J. Fierner	DD - ES	**1,775.00**
10121104	10/1/21	*****9447	Joseph Field	DD - ES	**1,137.00**
10121105	10/1/21	*****7691	Hernan Roberto Figueroa	DD - ES	**1,570.00**
10121106	10/1/21	*****0962	Tochia D. Brewster Fleeton	DD - ES	**1,452.00**
10121107	10/1/21	*****5773	Alexander Flowers	DD - ES	**1,333.00**
10121108	10/1/21	*****4032	Fox Creek Apartments	DD - ES	**26,018.00**
10121109	10/1/21	*****4032	Fox Creek Apartments	DD - ES	**4,242.00**
10121110	10/1/21	*****0284	Monica Fraga	DD - ES	**1,775.00**
10121111	10/1/21	*****6894	Rejois O Frazier	DD - ES	**3,852.00**
10121112	10/1/21	*****6265	Mr. Darren Fuller	DD - ES	**1,539.00**
10121113	10/1/21	*****8997	Fan Fuller	DD - ES	**1,712.00**
10121114	10/1/21	*****9634	Gialene Gaines	DD - ES	**2,050.00**
10121115	10/1/21	*****9590	Aminifu Gamba	DD - ES	**2,677.00**
10121116	10/1/21	*****2189	Kelly Yu Min Gao	DD - ES	**2,331.00**
10121117	10/1/21	*****6981	Adraine Gardner	DD - ES	**1,466.00**
10121118	10/1/21	*****4278	Antoinette L Garcia	DD - ES	**1,212.00**
10121119	10/1/21	*****7036	David Gardner	DD - ES	**3,364.00**
10121120	10/1/21	*****0785	Rupesh Garg	DD - ES	**2,377.00**
10121121	10/1/21	*****2931	William H. Gardiner	DD - ES	**2,204.00**
10121122	10/1/21	*****5111	Gateway Apartments	DD - ES	**5,789.00**
10121123	10/1/21	*****5298	Parvindokht Ghaboulidashti	DD - ES	**1,110.00**
10121124	10/1/21	*****2770	Eva Gholson	DD - ES	**1,738.00**
10121125	10/1/21	*****1145	Vernon or Eva Gholson	DD - ES	**2,660.00**
10121126	10/1/21	*****5958	Jacqueline Gill	DD - ES	**1,486.00**
10121127	10/1/21	*****3566	Mahavir Gill Mahavir S Gill Sr	DD - ES	**5,077.00**
10121128	10/1/21	*****8187	Sukpran Gill	DD - ES	**1,483.00**
10121129	10/1/21	*****6084	Gold A and S LLC	DD - ES	**2,456.00**
10121130	10/1/21	*****6208	Hadiya A Gomez	DD - ES	**846.00**
10121131	10/1/21	*****3032	Jesse Gonzaga	DD - ES	**2,277.00**

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10121132	10/1/21	*****2367	Ting Gong	DD - ES	**2,163.00**
10121133	10/1/21	*****6940	Frances Greene	DD - ES	**2,676.00**
10121134	10/1/21	*****4872	Rodney Green	DD - ES	**935.00**
10121135	10/1/21	*****3361	Rupinder Grewal	DD - ES	**2,972.00**
10121136	10/1/21	*****7325	Patricia Gridley	DD - ES	**760.50**
10121137	10/1/21	*****6305	Italo Grossi	DD - ES	**1,595.00**
10121138	10/1/21	*****6721	Amparo Guardado Cesar Q. Guardado	DD - ES	**1,406.00**
10121139	10/1/21	*****0940	Krystle Guan	DD - ES	**4,076.00**
10121140	10/1/21	*****5987	Bob Gunson Real Estate C/O Julie Hang	DD - ES	**1,359.00**
10121141	10/1/21	*****5267	Abhilash Gupta	DD - ES	**2,421.00**
10121142	10/1/21	*****7930	Donald R. Watson, Sr.	DD - ES	**878.00**
10121143	10/1/21	*****2314	Nicole Hackett	DD - ES	**1,488.00**
10121144	10/1/21	*****6176	Asharfun Nisha Hafiz	DD - ES	**1,597.00**
10121145	10/1/21	*****0457	Jeffrey Paul Hagler	DD - ES	**5,558.00**
10121146	10/1/21	*****9827	Delores Jane Hall	DD - ES	**1,712.00**
10121147	10/1/21	*****6228	David L Hart	DD - ES	**1,939.00**
10121148	10/1/21	*****1769	Lawrence Harrold	DD - ES	**6,467.00**
10121149	10/1/21	*****7423	Delta Hawaii Garden Apartments LLC	DD - ES	**9,241.00**
10121150	10/1/21	*****5859	Chuanhu He	DD - ES	**1,911.00**
10121151	10/1/21	*****0855	Ji Yuan He	DD - ES	**2,026.00**
10121152	10/1/21	*****6728	David T. Hennigan	DD - ES	**17,070.00**
10121153	10/1/21	*****3097	Silvester C. Henderson	DD - ES	**3,228.00**
10121154	10/1/21	*****2157	Elias Herrera	DD - ES	**363.00**
10121155	10/1/21	*****1603	Marva Hill	DD - ES	**357.00**
10121156	10/1/21	*****3207	Chainchal Hira	DD - ES	**2,032.00**
10121157	10/1/21	*****6255	Carl E. Hoard II	DD - ES	**1,319.00**
10121158	10/1/21	*****7386	Hanh Huu Hoang	DD - ES	**2,803.00**
10121159	10/1/21	*****5654	Havy S Hoag	DD - ES	**3,096.00**
10121160	10/1/21	*****4106	Albert Ho	DD - ES	**1,746.00**
10121161	10/1/21	*****8576	Joyce Ann Hoffman	DD - ES	**1,316.00**
10121162	10/1/21	*****4543	Ronald G. Holmes	DD - ES	**1,360.00**
10121163	10/1/21	*****7987	SRH Holdings LLC	DD - ES	**3,342.00**
10121164	10/1/21	*****2768	Invitation Homes	DD - ES	**7,210.00**
10121165	10/1/21	*****5700	Tony Ho	DD - ES	**1,367.00**
10121166	10/1/21	*****9956	Cheng Huang	DD - ES	**2,794.00**
10121167	10/1/21	*****8816	Ming Zin Huang	DD - ES	**2,860.00**
10121168	10/1/21	*****7984	Tao Huang	DD - ES	**7,045.00**
10121169	10/1/21	*****7838	Xia Jing Huang	DD - ES	**2,586.00**
10121170	10/1/21	*****9084	Nancy Xiu Zhen Hu	DD - ES	**1,745.00**

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10121171	10/1/21	*****6229	Thinh Trieu Huynh	DD - ES	**2,400.00**
10121172	10/1/21	*****0778	IGreen House Inc.	DD - ES	**910.00**
10121173	10/1/21	*****7951	IH5 Property West LP	DD - ES	**3,228.00**
10121174	10/1/21	*****8323	Keyee Investment LLC	DD - ES	**1,451.00**
10121175	10/1/21	*****1017	LaShon D Irving	DD - ES	**1,991.00**
10121176	10/1/21	*****6821	Michael or Kay Isola	DD - ES	**2,319.00**
10121177	10/1/21	*****4913	Jabbarr Love	DD - ES	**1,891.00**
10121178	10/1/21	*****2036	Brandi Jackson c/o Perry Realty Team	DD - ES	**2,165.00**
10121179	10/1/21	*****1075	Consuelo Marie Jackson	DD - ES	**2,920.00**
10121180	10/1/21	*****5120	Deepika Sameer Jain	DD - ES	**5,146.00**
10121181	10/1/21	*****4910	Sameer Jain	DD - ES	**7,875.00**
10121182	10/1/21	*****3307	Vishal S. Jain	DD - ES	**1,157.00**
10121183	10/1/21	*****1349	Jason Le	DD - ES	**2,611.00**
10121184	10/1/21	*****6917	Jian Xing Zhang	DD - ES	**1,486.00**
10121185	10/1/21	*****3090	Krystal Johnson	DD - ES	**1,942.00**
10121186	10/1/21	*****8569	Ronita Johnson	DD - ES	**1,480.00**
10121187	10/1/21	*****8867	James Jones	DD - ES	**1,486.00**
10121188	10/1/21	*****2434	Sharon Jones	DD - ES	**1,923.00**
10121189	10/1/21	*****4905	Mostaeen B Jouya	DD - ES	**1,700.00**
10121190	10/1/21	*****5647	Om Parkash Kalra	DD - ES	**3,231.00**
10121191	10/1/21	*****8425	Wei Kang	DD - ES	**4,767.00**
10121192	10/1/21	*****7429	Navkirandeep Kaur	DD - ES	**2,163.00**
10121193	10/1/21	*****5248	KC Prime LLC	DD - ES	**2,050.00**
10121194	10/1/21	*****6180	K. E. M. Group LLC	DD - ES	**1,830.00**
10121195	10/1/21	*****9411	Anthony Keslinke	DD - ES	**3,512.00**
10121196	10/1/21	*****6230	Kevin Moffett	DD - ES	**2,318.00**
10121197	10/1/21	*****2578	Faraz Ali Khan	DD - ES	**1,436.00**
10121198	10/1/21	*****0888	KW Kirker Creek, LLC	DD - ES	**3,021.00**
10121199	10/1/21	*****9221	John N Kitta	DD - ES	**2,784.00**
10121200	10/1/21	*****7475	Qi Yun Kuang	DD - ES	**6,293.00**
10121201	10/1/21	*****8506	Simon Kailiang Kuang	DD - ES	**1,659.00**
10121202	10/1/21	*****9316	Zdzislaw Kujawa	DD - ES	**1,335.00**
10121203	10/1/21	*****2585	Daniel Kwan	DD - ES	**3,371.00**
10121204	10/1/21	*****8326	Thomas LaFleur	DD - ES	**1,480.00**
10121205	10/1/21	*****7845	Chow Kang Lam	DD - ES	**1,415.00**
10121206	10/1/21	*****6520	Shirley Manly-Lampkin	DD - ES	**1,051.00**
10121207	10/1/21	*****7975	Peter C. Larsen	DD - ES	**1,454.00**
10121208	10/1/21	*****2401	Kevin Lassair Terrilyn Lassair	DD - ES	**1,175.00**
10121209	10/1/21	*****4732	Latif, LLC	DD - ES	**2,628.00**

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10121210	10/1/21	*****2293	LCSTAR, LLC	DD - ES	**4,910.00**
10121211	10/1/21	*****0984	Dao Tran Le	DD - ES	**2,018.00**
10121212	10/1/21	*****8548	Jack Wai Lee	DD - ES	**2,370.00**
10121213	10/1/21	*****1755	Siu Wan Windytiti Lee	DD - ES	**2,232.00**
10121214	10/1/21	*****2527	Steven Lee	DD - ES	**1,664.00**
10121215	10/1/21	*****5289	Yuhjen Juang Lee	DD - ES	**1,899.00**
10121216	10/1/21	*****7087	Huy Nguyen Le	DD - ES	**2,461.00**
10121217	10/1/21	*****1860	Lena Le	DD - ES	**806.00**
10121218	10/1/21	*****3782	Joseph C. Lerma	DD - ES	**1,420.00**
10121219	10/1/21	*****3555	Yiping I. and Frederic Leroudier	DD - ES	**1,298.00**
10121220	10/1/21	*****3410	John M. Leung	DD - ES	**8,014.00**
10121221	10/1/21	*****3743	May Leung or Rodney Chen	DD - ES	**3,770.00**
10121222	10/1/21	*****2110	Peter Leung	DD - ES	**2,499.00**
10121223	10/1/21	*****3386	James J. Busby and Irvin Deutcher a Partnership DBA Crestview Apartments	DD - ES	**8,085.00**
10121224	10/1/21	*****0416	Faqiang Li	DD - ES	**2,449.00**
10121225	10/1/21	*****8871	Jie Li	DD - ES	**1,762.00**
10121226	10/1/21	*****7827	Jinhuan Li	DD - ES	**1,505.00**
10121227	10/1/21	*****9346	Joshua Li	DD - ES	**492.00**
10121228	10/1/21	*****2649	Tim Lindstrom c/o AAA Property Management	DD - ES	**1,166.00**
10121229	10/1/21	*****3881	Vivian Y Li	DD - ES	**1,226.00**
10121230	10/1/21	*****0050	Wei Min Li	DD - ES	**1,062.00**
10121231	10/1/21	*****9003	Ying Hong Li	DD - ES	**1,335.00**
10121232	10/1/21	*****0198	Belkis Zhong Li	DD - ES	**2,596.00**
10121233	10/1/21	*****1646	Paul Long	DD - ES	**2,001.00**
10121234	10/1/21	*****1474	Los Medanos Village Apartments	DD - ES	**14,210.00**
10121235	10/1/21	*****7531	Tony or Yvonne Louie	DD - ES	**1,425.00**
10121236	10/1/21	*****3708	Anthony Charles Loyola	DD - ES	**547.00**
10121237	10/1/21	*****7720	Jose Loza	DD - ES	**883.00**
10121238	10/1/21	*****2354	Andrew Kin Lui	DD - ES	**2,383.00**
10121239	10/1/21	*****4658	Wei Liu Guangxin Frank Liu	DD - ES	**1,482.00**
10121240	10/1/21	*****7843	The Entrust Group, Inc. FBO Theodore Lum IRA (acct #34892)	DD - ES	**721.00**
10121241	10/1/21	*****1821	Curtis H. Lundberg	DD - ES	**555.00**
10121242	10/1/21	*****1494	Xiangwen Lu	DD - ES	**4,962.00**
10121243	10/1/21	*****2147	Chi Vien Ly	DD - ES	**1,301.00**
10121244	10/1/21	*****6525	Madelyn Ann Massey Trustee of the 2017 Massey Family Trust	DD - ES	**1,527.00**
10121245	10/1/21	*****5865	Rakesh Madra	DD - ES	**3,152.00**
10121246	10/1/21	*****2191	Radha Mahesram	DD - ES	**2,176.00**

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10121247	10/1/21	*****7358	Mahnoor Tariq	DD - ES	**2,452.00**
10121248	10/1/21	*****4372	Jennifer Leung Ma	DD - ES	**3,662.00**
10121249	10/1/21	*****1989	Jeff Mann	DD - ES	**7,114.00**
10121250	10/1/21	*****5378	Glenn Marshall	DD - ES	**2,403.00**
10121251	10/1/21	*****2875	Marla Y Harrison	DD - ES	**527.00**
10121252	10/1/21	*****4697	Elisa Aurora Martinez	DD - ES	**2,746.00**
10121253	10/1/21	*****9206	Demetria d Mason	DD - ES	**2,624.00**
10121254	10/1/21	*****9994	Matthew Lui	DD - ES	**1,647.00**
10121255	10/1/21	*****6768	Matrixone Realty	DD - ES	**1,036.00**
10121256	10/1/21	*****5255	Helen McCarthy	DD - ES	**1,933.00**
10121257	10/1/21	*****1152	Janice K McLean	DD - ES	**372.00**
10121258	10/1/21	*****4675	Meadow Glen Apartments	DD - ES	**1,918.00**
10121259	10/1/21	*****9866	Tatung Mei	DD - ES	**3,564.00**
10121260	10/1/21	*****5245	Jinyu Meng	DD - ES	**1,653.00**
10121261	10/1/21	*****4885	Sabine Menzel	DD - ES	**3,709.00**
10121262	10/1/21	*****0133	Mercedes P. Johnson	DD - ES	**617.00**
10121263	10/1/21	*****8272	Hector Meza	DD - ES	**932.00**
10121264	10/1/21	*****9885	Andrew S Miloslavich	DD - ES	**1,904.00**
10121265	10/1/21	*****7437	Perchak Properties for Carol Miller	DD - ES	**2,244.00**
10121266	10/1/21	*****4000	Millennium Homes	DD - ES	**2,012.00**
10121267	10/1/21	*****9782	Maryann Miller	DD - ES	**1,856.00**
10121268	10/1/21	*****2618	Carlos J Miranda	DD - ES	**660.00**
10121269	10/1/21	*****0772	Hassan Mirabedi	DD - ES	**7,892.00**
10121270	10/1/21	*****6741	Gwendolyn Mitchell	DD - ES	**4,351.00**
10121271	10/1/21	*****0985	Rodney Montgomery or Sharon Montgomery	DD - ES	**1,447.00**
10121272	10/1/21	*****4676	Erik L Morris	DD - ES	**1,874.00**
10121273	10/1/21	*****3624	Diane Morin	DD - ES	**1,990.00**
10121274	10/1/21	*****8820	Brien Brothers, LLC C/O Mynd Management, IC.	DD - ES	**803.00**
10121275	10/1/21	*****1388	Mynd Management Inc,	DD - ES	**4,155.00**
10121276	10/1/21	*****0105	Ehsan Nabkel	DD - ES	**3,552.00**
10121277	10/1/21	*****6234	Shinder Paul Narabut	DD - ES	**6,828.00**
10121278	10/1/21	*****0054	NC Associates, Inc.	DD - ES	**16,800.00**
10121279	10/1/21	*****9180	Michael Nelson	DD - ES	**2,938.00**
10121280	10/1/21	*****5257	Guy Nesbeth	DD - ES	**1,741.00**
10121281	10/1/21	*****1072	Dominic Y Ng	DD - ES	**2,857.00**
10121282	10/1/21	*****3604	Knowland Ging Ng	DD - ES	**4,033.00**
10121283	10/1/21	*****8594	Patrick Ng Mike Perry, Property Manager	DD - ES	**1,321.00**
10121284	10/1/21	*****0738	Hieu Nguyen	DD - ES	**1,642.00**
10121285	10/1/21	*****7154	Huy Quang Nguyen	DD - ES	**2,162.00**

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10121286	10/1/21	*****8307	Mai Thi Thanh Nguyen	DD - ES	**1,925.00**
10121287	10/1/21	*****4366	Quyen Nguyen	DD - ES	**1,857.00**
10121288	10/1/21	*****8241	Tieu Nguyen	DD - ES	**688.00**
10121289	10/1/21	*****2660	Nichole Nicholson	DD - ES	**2,500.00**
10121290	10/1/21	*****7265	Ernest Nichols III	DD - ES	**3,323.00**
10121291	10/1/21	*****6497	Peter Niloufari	DD - ES	**5,425.00**
10121292	10/1/21	*****8129	Kevin Nord	DD - ES	**1,690.00**
10121293	10/1/21	*****0056	Richard A Norte	DD - ES	**1,915.00**
10121294	10/1/21	*****2286	North State Financial, Inc.	DD - ES	**1,094.00**
10121295	10/1/21	*****7171	New Way Management Services, Inc.	DD - ES	**19,849.00**
10121296	10/1/21	*****0758	Oakland Housing Authority	DD - ES	**173.49**
10121297	10/1/21	*****0056	Sheryl O'Brien	DD - ES	**882.00**
10121298	10/1/21	*****1194	Jennifer Odei	DD - ES	**1,434.00**
10121299	10/1/21	*****5572	Dwight J Owens	DD - ES	**643.00**
10121300	10/1/21	*****1780	Diane Oles	DD - ES	**1,694.00**
10121301	10/1/21	*****4543	Esosa A. Omokaro	DD - ES	**1,932.00**
10121302	10/1/21	*****3741	Sandra L Ortiz	DD - ES	**1,785.00**
10121303	10/1/21	*****1081	Chinenye Osuagwu	DD - ES	**2,716.00**
10121304	10/1/21	*****9139	Olubukola Amoke Oyebade	DD - ES	**2,517.00**
10121305	10/1/21	*****3324	Mutlu Ozer	DD - ES	**2,577.00**
10121306	10/1/21	*****6009	Diablo Pacific, Inc.	DD - ES	**3,297.00**
10121307	10/1/21	*****4083	Pacific Living, LLC	DD - ES	**2,769.00**
10121308	10/1/21	*****7811	Hemangini & Vijendra Patel	DD - ES	**2,800.00**
10121309	10/1/21	*****0885	Kokila Patel	DD - ES	**787.00**
10121310	10/1/21	*****0346	Patiala, LLC Deepinder Kaur or Ajay Singh	DD - ES	**1,282.00**
10121311	10/1/21	*****8684	Virendra M. Patel	DD - ES	**574.00**
10121312	10/1/21	*****8047	Jason Pauline	DD - ES	**1,760.00**
10121313	10/1/21	*****3189	Loycell Peacock	DD - ES	**1,391.00**
10121314	10/1/21	*****5165	Scott Pease	DD - ES	**1,272.00**
10121315	10/1/21	*****8805	Alonso R. Perez	DD - ES	**1,486.00**
10121316	10/1/21	*****3278	Maria Del Carmen Perez	DD - ES	**603.00**
10121317	10/1/21	*****6784	Lowde Y. Perkins	DD - ES	**922.00**
10121318	10/1/21	*****4893	Cong Thi Pham	DD - ES	**1,922.00**
10121319	10/1/21	*****5884	May K. Pho	DD - ES	**2,583.00**
10121320	10/1/21	*****0958	Pittsburg Park Apartments	DD - ES	**2,952.00**
10121321	10/1/21	*****2744	SK Pittsburg Bay Point SK Pittsburg Bay Point	DD - ES	**1,458.00**
10121322	10/1/21	*****1097	Bay Point Orphans Fund, LLC	DD - ES	**1,712.00**
10121323	10/1/21	*****8826	Prime Metropolis Properties, Inc.	DD - ES	**2,486.00**
10121324	10/1/21	*****2849	IH5 Property West LP	DD - ES	**1,769.00**

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10121325	10/1/21	*****3398	Marples Property Management	DD - ES	**1,700.00**
10121326	10/1/21	*****4650	A. Meadows Property Management	DD - ES	**3,249.00**
10121327	10/1/21	*****6551	Parks Properties	DD - ES	**1,711.00**
10121328	10/1/21	*****7789	Stokley Properties LLC Harbor	DD - ES	**3,174.00**
10121329	10/1/21	*****8055	Property Upsurge, Inc.	DD - ES	**4,252.00**
10121330	10/1/21	*****0782	Amjad Qaqish	DD - ES	**835.00**
10121331	10/1/21	*****9542	Sam or Sonia Quinones	DD - ES	**1,800.00**
10121332	10/1/21	*****4029	Amos Radford	DD - ES	**1,387.00**
10121333	10/1/21	*****1034	Kuljit P Raju	DD - ES	**1,819.00**
10121334	10/1/21	*****2261	Paramjit K. Raju	DD - ES	**2,273.00**
10121335	10/1/21	*****3452	Christopher Ramirez	DD - ES	**2,042.00**
10121336	10/1/21	*****8489	Enrique or Stacy Ramirez	DD - ES	**1,177.00**
10121337	10/1/21	*****2162	Erika Ramirez	DD - ES	**1,345.00**
10121338	10/1/21	*****2283	Rohini Ram-Cline	DD - ES	**1,957.00**
10121339	10/1/21	*****6068	David Raughton	DD - ES	**1,933.00**
10121340	10/1/21	*****8337	RayCaro Inc.	DD - ES	**1,581.00**
10121341	10/1/21	*****8227	Croskey Real Estate, Inc.	DD - ES	**1,605.00**
10121342	10/1/21	*****6703	Amerasia Real Estate Fund LLC	DD - ES	**3,628.00**
10121343	10/1/21	*****7083	Reliant - Woods Grove, LP	DD - ES	**23,068.00**
10121344	10/1/21	*****7349	Eric Franklin Remson	DD - ES	**538.00**
10121345	10/1/21	*****9215	Kameryn Victoria Ray	DD - ES	**1,964.00**
10121346	10/1/21	*****9321	Roger Riley	DD - ES	**1,901.00**
10121347	10/1/21	*****4562	Rising Investments LLC	DD - ES	**6,880.00**
10121348	10/1/21	*****4809	Robert W. Daniels	DD - ES	**2,679.00**
10121349	10/1/21	*****0694	Jason Ruffin	DD - ES	**2,504.00**
10121350	10/1/21	*****4579	Elvira Ruiz	DD - ES	**1,746.00**
10121351	10/1/21	*****5248	Constance Russell	DD - ES	**2,300.00**
10121352	10/1/21	*****3871	Maridel P Santos	DD - ES	**1,649.00**
10121353	10/1/21	*****7615	Gregory Paul Schulz	DD - ES	**1,188.00**
10121354	10/1/21	*****9954	Richard M. Sciortino	DD - ES	**2,284.00**
10121355	10/1/21	*****7031	Jacqueline Selinger	DD - ES	**1,897.00**
10121356	10/1/21	*****5346	Young Sook Seroy	DD - ES	**1,566.00**
10121357	10/1/21	*****6765	SETRC, LLC	DD - ES	**2,559.00**
10121358	10/1/21	*****1446	Mohinder Sharma	DD - ES	**1,016.00**
10121359	10/1/21	*****7239	Shailesh & Bela Patel	DD - ES	**1,212.00**
10121360	10/1/21	*****1357	Mohammad Shekib	DD - ES	**1,939.00**
10121361	10/1/21	*****5981	Yihui Shi	DD - ES	**1,535.00**
10121362	10/1/21	*****5994	Shorten Investments LLC	DD - ES	**5,373.00**
10121363	10/1/21	*****7396	Sierra Pacific Properties Inc Sierra Pacific Properties Inc	DD - ES	**9,399.00**
10121364	10/1/21	*****7789	Siena Court Apartments	DD - ES	**14,571.00**

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10121365	10/1/21	*****7396	Sierra Pacific Properties Peppertree Apartments	DD - ES	**4,513.00**
10121366	10/1/21	*****7396	Sierra Pacific Properties Woodland Hills Apartments	DD - ES	**27,123.00**
10121367	10/1/21	*****6650	Frank M. Siino	DD - ES	**982.00**
10121368	10/1/21	*****8035	Joseph Michael Siino	DD - ES	**1,530.00**
10121369	10/1/21	*****5399	Gloria Silva	DD - ES	**506.00**
10121370	10/1/21	*****8407	Marc J. Simpson	DD - ES	**1,688.00**
10121371	10/1/21	*****6058	Son Singh	DD - ES	**1,500.00**
10121372	10/1/21	*****0700	Crystal Situ	DD - ES	**1,270.00**
10121373	10/1/21	*****3853	Lakesha Michelle Smith Lionel R Smith	DD - ES	**1,975.00**
10121374	10/1/21	*****4970	Molly Smith	DD - ES	**1,898.00**
10121375	10/1/21	*****9092	Sherritta M Smith	DD - ES	**945.00**
10121376	10/1/21	*****2032	Cinthia Sosa	DD - ES	**2,473.00**
10121377	10/1/21	*****6977	Angela E. Robinson-Spencer	DD - ES	**2,131.00**
10121378	10/1/21	*****5343	Deborah Steppe	DD - ES	**1,784.00**
10121379	10/1/21	*****5308	Darice Streeter c/o R R Rentals	DD - ES	**1,900.00**
10121380	10/1/21	*****8216	Abby Sukarto	DD - ES	**1,964.00**
10121381	10/1/21	*****1808	Jezzy Sukaemi	DD - ES	**2,564.00**
10121382	10/1/21	*****7479	Ms. Li Su	DD - ES	**1,351.00**
10121383	10/1/21	*****1235	Summit Venture Group, LLC	DD - ES	**2,701.00**
10121384	10/1/21	*****6168	Kamaljeet Surila	DD - ES	**1,754.00**
10121385	10/1/21	*****0804	Svetlana Kondratiouk	DD - ES	**3,040.00**
10121386	10/1/21	*****0399	Joyce Hui Sy	DD - ES	**7,715.00**
10121387	10/1/21	*****3065	Tasharie C. Ameral	DD - ES	**1,609.00**
10121388	10/1/21	*****6283	Yun Teng Weijie Zhang	DD - ES	**3,216.00**
10121389	10/1/21	*****9166	Ms. Natasha Terry	DD - ES	**2,675.00**
10121390	10/1/21	*****2164	Quyen Minh Thai	DD - ES	**2,875.00**
10121391	10/1/21	*****9314	Silvia Thein and Ada Choi	DD - ES	**2,200.00**
10121392	10/1/21	*****7191	Tequila Nashannon Thornton	DD - ES	**2,654.00**
10121393	10/1/21	*****4049	ChingJen Tong	DD - ES	**2,229.00**
10121394	10/1/21	*****1714	Yoway Wilson Tong	DD - ES	**1,486.00**
10121395	10/1/21	*****1405	Lourdes or Raymond Tovar	DD - ES	**1,374.00**
10121396	10/1/21	*****2094	Raphael Minhtuyen Tran	DD - ES	**3,025.00**
10121397	10/1/21	*****8623	Richard Tran	DD - ES	**2,783.00**
10121398	10/1/21	*****1327	Thuy Tran	DD - ES	**1,148.00**
10121399	10/1/21	*****6165	Thanh Van Trinh	DD - ES	**1,422.00**
10121400	10/1/21	*****5313	Sean Thuyet Truong	DD - ES	**1,094.00**
10121401	10/1/21	*****9321	Van Truong	DD - ES	**1,717.00**

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10121402	10/1/21	*****6917	Erica Uschold	DD - ES	**2,613.00**
10121403	10/1/21	*****4582	Lidia Valladares	DD - ES	**1,169.00**
10121404	10/1/21	*****0250	Victor D Valenzuela	DD - ES	**1,498.00**
10121405	10/1/21	*****3371	Gary D. Vasconcellos	DD - ES	**1,550.00**
10121406	10/1/21	*****9682	Nuno G Vieira	DD - ES	**4,328.00**
10121407	10/1/21	*****7391	Kim Uyen Minh Vu	DD - ES	**1,239.00**
10121408	10/1/21	*****2720	Stephen Cordell Wafer	DD - ES	**1,205.00**
10121409	10/1/21	*****6924	Lining Wan	DD - ES	**2,578.00**
10121410	10/1/21	*****6945	Wei Wang	DD - ES	**2,032.00**
10121411	10/1/21	*****1634	Yu Ruo Wang	DD - ES	**1,781.00**
10121412	10/1/21	*****7593	Ms. Brigitte Warren C/O Perry Realty Team	DD - ES	**3,118.00**
10121413	10/1/21	*****5502	Mildred Lucille Washington	DD - ES	**1,996.00**
10121414	10/1/21	*****4384	Wenying Chang	DD - ES	**3,422.00**
10121415	10/1/21	*****5295	Holly Wen	DD - ES	**651.00**
10121416	10/1/21	*****4908	Lewis White & Ruth White Elma Ruth White	DD - ES	**4,904.00**
10121417	10/1/21	*****6220	Fenny Wijayanti	DD - ES	**1,690.00**
10121418	10/1/21	*****7867	Ms Adrienne Wilson C/O Gabe Essoe	DD - ES	**1,951.00**
10121419	10/1/21	*****5057	Kathleen and John Wilson	DD - ES	**936.00**
10121420	10/1/21	*****8702	Kathy D. Williams	DD - ES	**2,207.00**
10121421	10/1/21	*****5480	Tasia La Vonda Williams	DD - ES	**2,564.00**
10121422	10/1/21	*****5026	Windeler Development Group, Inc.	DD - ES	**999.00**
10121423	10/1/21	*****1157	Har Pan Wong	DD - ES	**8,941.00**
10121424	10/1/21	*****6356	Joanne Wong	DD - ES	**1,522.00**
10121425	10/1/21	*****1060	Kinney Ming Wong	DD - ES	**508.00**
10121426	10/1/21	*****2784	Vincent Wong	DD - ES	**1,818.00**
10121427	10/1/21	*****3962	Hong Wu	DD - ES	**3,728.00**
10121428	10/1/21	*****3698	Zhang Jin Wu	DD - ES	**2,701.00**
10121429	10/1/21	*****2556	Drewcillia Wyatt	DD - ES	**3,942.00**
10121430	10/1/21	*****2651	Sheree Wynn	DD - ES	**2,210.00**
10121431	10/1/21	*****4644	Chao Xu	DD - ES	**2,940.00**
10121432	10/1/21	*****3880	Ping Ping Xu Keming Wang	DD - ES	**2,725.00**
10121433	10/1/21	*****5087	Zhou Xu	DD - ES	**2,853.00**
10121434	10/1/21	*****4383	Yifan Ye Mike Perry, Property Manager	DD - ES	**2,512.00**
10121435	10/1/21	*****6779	Sally Yip	DD - ES	**912.00**
10121436	10/1/21	*****6210	Yong Qiang Lu	DD - ES	**1,790.00**
10121437	10/1/21	*****6178	Chris Kui You	DD - ES	**2,376.00**

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10121438	10/1/21	*****7622	Yee Yue Cheung	DD - ES	**1,295.00**
10121439	10/1/21	*****8664	Mohammad Zalmaiyar	DD - ES	**2,455.00**
10121440	10/1/21	*****8685	Feng Zhang	DD - ES	**2,726.00**
10121441	10/1/21	*****7638	Jielu Zhao	DD - ES	**1,412.00**
10121442	10/1/21	*****2407	Katherine Zhao	DD - ES	**2,721.00**
10121443	10/1/21	*****2940	Wei Bin Zhang or Gao Wei	DD - ES	**1,966.00**
10121444	10/1/21	*****3259	Xirong Zhao	DD - ES	**1,825.00**
10121445	10/1/21	*****5640	Yan Zhang	DD - ES	**1,637.00**
10121446	10/1/21	*****4367	Xiang Yang Zheng	DD - ES	**1,899.00**
10121447	10/1/21	*****9263	Zhixing Li	DD - ES	**2,441.00**
10121448	10/1/21	*****3830	Joy Yi Zhou	DD - ES	**1,932.00**
10121449	10/1/21	*****7805	Shengguo Zhu	DD - ES	**5,365.00**
10121450	10/1/21	*****6132	Ying Zhu Ying Zhu	DD - ES	**5,084.00**
10121451	10/1/21	*****4651	Weijie Zhang	DD - ES	**1,333.00**

Housing Choice Voucher

HAP	1,493,698.57
UR	10,980.32
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	285.71
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$1,504,964.60**

Grand Total

HAP	1,493,698.57
UR	10,980.32
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	285.71
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$1,504,964.60**

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Check Summary

October 1, 2021

	Check Number	Check Date	Payee Tax ID	Payee		Amount
Housing Choice Voucher						
	10121467	10/1/21	*****4910	Sameer Jain	DD - ES	**12.00**

Housing Choice Voucher	HAP	12.00
	UR	0.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	0.00
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	**$12.00**

Check Summary

October 1, 2021

	Check Number	Check Date	Payee Tax ID	Payee		Amount
VASH						
*	50204	10/1/21	*****2062	John M Ferguson		**71.00**
	50205	10/1/21	*****5735	Michael Wimmer		**122.00**
	50206	10/1/21	*****7845	Troy Mills		**29.00**
	50207	10/1/21	*****9543	Steven Williamson		**52.00**
	50208	10/1/21	*****9325	JOW & AAW, LLC		**2,109.00**
	50209	10/1/21	*****9326	Western Addition Apartments, LLC		**1,483.00**
	50210	10/1/21	*****1636	Jimmy Bhatia		**1,172.00**
	50211	10/1/21	*****2361	George Edward Cole		**1,267.00**
	50212	10/1/21	*****2116	MSR Rental Properties, LLC C/O EEN Property Management		**1,700.00**
	50213	10/1/21	*****5770	Ventana Rental Homes		**3,874.00**
	50214	10/1/21	*****7378	Marina Heights Apartments, LP		**7,559.00**
*	10121452	10/1/21	*****4636	Felipe Amarante	DD - ES	**1,483.00**
	10121453	10/1/21	*****3909	Ken Bartlett	DD - ES	**1,370.00**
	10121454	10/1/21	*****7492	Adrienne Kelly Belton	DD - ES	**720.00**
	10121455	10/1/21	*****7075	Som N Bhatia	DD - ES	**1,261.00**
	10121456	10/1/21	*****8860	Joe Burns	DD - ES	**1,079.00**

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10121457	10/1/21	*****2513	Clara Beatriz Cardenas	DD - ES	**1,500.00**
10121458	10/1/21	*****0746	Contra Costa County Housing Authority	DD - ES	**0.00**
10121459	10/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**16,421.00**
10121460	10/1/21	*****9507	Olga M. Disney	DD - ES	**1,354.00**
10121461	10/1/21	*****3406	Mercy Housing California XXXVIII East Leland Court Apartments	DD - ES	**600.00**
10121462	10/1/21	*****4032	Fox Creek Apartments	DD - ES	**789.00**
10121463	10/1/21	*****4432	FFR Investments LLC	DD - ES	**1,822.00**
10121464	10/1/21	*****5111	Gateway Apartments	DD - ES	**3,160.00**
10121465	10/1/21	*****5267	Abhilash Gupta	DD - ES	**1,729.00**
10121466	10/1/21	*****6728	David T. Hennigan	DD - ES	**3,270.00**
10121468	10/1/21	*****3555	Yiping I. and Frederic Leroudier	DD - ES	**2,472.00**
10121469	10/1/21	*****3386	James J. Busby and Irvin Deutcher a Partnership DBA Crestview Apartments	DD - ES	**1,142.00**
10121470	10/1/21	*****1547	Paul Livson	DD - ES	**3,074.00**
10121471	10/1/21	*****1494	Xiangwen Lu	DD - ES	**3,538.00**
10121472	10/1/21	*****2242	James McDonald	DD - ES	**1,500.00**
10121473	10/1/21	*****9886	Northstar Financial Group, LLC	DD - ES	**3,037.00**
10121474	10/1/21	*****7228	Ramsey Horton	DD - ES	**1,685.00**
10121475	10/1/21	*****6703	Amerasia Real Estate Fund LLC	DD - ES	**1,662.00**
10121476	10/1/21	*****7083	Reliant - Woods Grove, LP	DD - ES	**2,684.00**
10121477	10/1/21	*****7396	Sierra Pacific Properties Inc Sierra Pacific Properties Inc	DD - ES	**3,823.00**
10121478	10/1/21	*****7789	Siena Court Apartments	DD - ES	**1,165.00**
10121479	10/1/21	*****7396	Sierra Pacific Properties Peppertree Apartments	DD - ES	**2,815.00**
10121480	10/1/21	*****7396	Sierra Pacific Properties Woodland Hills Apartments	DD - ES	**1,893.00**
10121481	10/1/21	*****3465	Ramzi D Srouji	DD - ES	**1,957.00**
10121482	10/1/21	*****0437	Suisun City Housing Authority	DD - ES	**1,420.44**
10121483	10/1/21	*****2094	Raphael Minhtuyen Tran	DD - ES	**1,713.00**
10121484	10/1/21	*****4563	Isidoro Weitzman	DD - ES	**1,957.00**
10121485	10/1/21	*****4908	Lewis White & Ruth White Elma Ruth White	DD - ES	**1,294.00**

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VASH	HAP	94,158.44
	UR	274.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	395.00
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	**$94,827.44**

Grand Total		
	HAP	94,170.44
	UR	274.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	395.00
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	**$94,839.44**

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Check Summary

October 15, 2021

	Check Number	Check Date	Payee Tax ID	Payee		Amount
Housing Choice Voucher						
	50216	10/15/21	*****7378	Marina Heights Apartments, LP		**1,342.00**
*	101521001	10/15/21	*****6569	Jeannette D. Crespo	DD - ES	**94.00**
	101521002	10/15/21	*****4032	Fox Creek Apartments	DD - ES	**103.00**
	101521003	10/15/21	*****3032	Jesse Gonzaga	DD - ES	**217.00**
	101521004	10/15/21	*****5267	Abhilash Gupta	DD - ES	**535.00**
	101521005	10/15/21	*****6728	David T. Hennigan	DD - ES	**309.00**
	101521006	10/15/21	*****2191	Radha Mahesram	DD - ES	**64.00**
	101521007	10/15/21	*****4885	Momin Raees	DD - ES	**1,824.00**
	101521008	10/15/21	*****0985	Rodney Montgomery or Sharon Montgomery	DD - ES	**205.00**
	101521009	10/15/21	*****0054	NC Associates, Inc.	DD - ES	**141.00**
	101521010	10/15/21	*****8826	Prime Metropolis Properties, Inc.	DD - ES	**1,689.00**
	101521011	10/15/21	*****3881	RH Portofino Owner CA LLC	DD - ES	**13,947.00**
	101521013	10/15/21	*****8216	Abby Sukarto	DD - ES	**1,617.00**
	101521014	10/15/21	*****6220	Fenny Wijayanti	DD - ES	**475.00**
	101521015	10/15/21	*****3259	Xirong Zhao	DD - ES	**114.00**

Housing Choice Voucher	HAP	22,676.00
	UR	0.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	0.00
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	**$22,676.00**

Check Summary

October 15, 2021

	Check Number	Check Date	Payee Tax ID	Payee	Amount
VASH					
*	50215	10/15/21	*****9507	Olga M. Disney	**2,708.00**

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101521012	10/15/21 *****7396	Sierra Pacific Properties Inc Sierra Pacific Properties Inc	DD - ES	**216.00**

VASH

	VASH
HAP	2,924.00
UR	0.00
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	0.00
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$2,924.00**

Grand Total

HAP	25,600.00
UR	0.00
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	0.00
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$25,600.00**

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HOUSING AUTHORITY OF THE CITY OF PITTSBURG
DISBURSEMENT SUMMARY
FOR THE MONTH ENDED NOVEMBER 30th, 2021

VOUCHERS

Ck#	Amount	HAP[1]	VASH[2]	UR[3]	Portability	Admin. Fee	TOTAL
50217-50356 110121001-110121462	$ 1,602,319.58	1,495,408.82	87,166.44	10,857.32	8,887.00	-	$ 1,602,319.58
50357-50363 111521001-111521009	22,424.00	9,358.00	3,386.00	793.00	8,887.00	-	22,424.00
TOTAL	**$ 1,624,743.58**	**1,504,766.82**	**90,552.44**	**11,650.32**	**17,774.00**	**-**	**$ 1,624,743.58**

[1]Housing Assistance Payment [2]Veterans Affairs Supportive Housing [3]Utility Reimbursement

ADMINISTRATIVE EXPENSES

Description	TOTAL
Salaries and Wages	$ 42,572.10
Salaries- Overtime	320.98
Retirement Miscellaneous	3,179.79
Health Insurance - Employees	9,368.32
Life Insurance	78.34
Dental Insurance	827.24
Vision - Employee	93.76
Workers' Compensation	1,378.97
Unemployment Insurance	252.32
F I C A & Medicare	3,316.53
Deferred Compensation - Employer	831.26
Office Supplies & Materials	5,383.94
Utilities - Electric	1,172.78
Utilities - Water	41.68
Utilities - Telephone Service	507.33
Utilities - WiFi/Cellphone Service	232.57
Other Contractual & Professional Service	35,051.24
Building Rental	2,375.00
Fleet Maintenance Alloc Chgs	16.00
Utilities - Water	49.85
Maintenance & Repairs	2,375.00
Other fees	216.60
	$ 109,641.60

VOIDED CHECKS & ADJUSTMENTS

Ck#	Reason		Amount
	Void check	None for November 2021	$ -
			-
		TOTAL	$ -

Prepared by: HB

Reviewed by: LM

NET OF ISSUED AND VOIDED PAYMENTS $ 1,734,385.18

Check Summary

November 1, 2021

	Check Number	Check Date	Payee Tax ID	Payee	Amount
Housing Choice Voucher					
*	50217	11/1/21	*****2494	Amana K Cornish	**30.00**
	50218	11/1/21	*****7533	Angelique F Davis	**103.00**
	50219	11/1/21	*****7730	Ashley M Brown	**147.00**
	50220	11/1/21	*****1702	Christina M Fitzgerald	**63.00**
	50221	11/1/21	*****4282	Cynthia g Cones	**33.00**
	50222	11/1/21	*****0269	Dajon W Smith	**47.00**
	50223	11/1/21	*****3976	Darren M Thompson	**36.00**
	50224	11/1/21	*****2319	Delfonse A Lewis	**173.00**
	50225	11/1/21	*****3528	Elisa Johnson	**175.00**
	50226	11/1/21	*****3840	Eva L Mangum	**85.00**
	50227	11/1/21		Franchise Tax Board	**253.50**
	50228	11/1/21	*****8874	Iman N Hanif	**208.00**
	50229	11/1/21	*****6015	Jade Nelson	**123.00**
	50231	11/1/21	*****7910	Javecia M Horton	**23.00**
	50232	11/1/21	*****6377	Jo Ann Brooks	**29.00**
	50234	11/1/21	*****4091	Joshua C Perez	**220.00**
	50235	11/1/21	*****2309	Kawanda M Dotson	**34.00**
	50236	11/1/21	*****6519	Krystal M Williams	**67.00**
	50237	11/1/21	*****7253	Laneava S Blanks	**38.00**
	50238	11/1/21	*****3960	Lyniece N Eddins	**1.00**
	50239	11/1/21	*****3347	Maria B Martinez	**14.00**
	50240	11/1/21	*****8042	Melissa J Perkins	**234.00**
	50242	11/1/21	*****2674	Monika Smith	**37.00**
	50243	11/1/21	*****9905	Nakisha Fountain	**137.00**
	50244	11/1/21	*****6935	Samaiyah A Warren	**79.00**
	50245	11/1/21	*****5994	Shamia L Patterson	**304.00**
	50246	11/1/21	*****3403	Shanae V Washington	**98.00**
	50247	11/1/21	*****3772	Tatyana A Jackson	**39.00**
	50248	11/1/21	*****6806	Thelma R Hearne	**21.00**
	50250	11/1/21	*****1418	Patricia A Blocker	**27.00**
	50251	11/1/21	*****1654	Jaime M Lopez	**175.00**
	50252	11/1/21	*****2890	Raquel E Miller	**57.00**
	50253	11/1/21	*****1679	Albert K Lea III	**233.00**
	50254	11/1/21	*****5232	Danielle M Thomas	**124.00**

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50255	11/1/21	*****0164	Bobbie J Royston	**144.00**
50256	11/1/21	*****4208	Ono c Rothschild	**317.00**
50257	11/1/21	*****2184	Evelyn Smith	**109.00**
50258	11/1/21	*****9858	Livis J Sanders	**15.00**
50259	11/1/21	*****3035	Irma M Castillo	**53.00**
50260	11/1/21	*****4119	Pashenia D Sanders	**115.00**
50261	11/1/21	*****5133	Mary P Grigsby	**38.00**
50262	11/1/21	*****3180	Kamika C Thigpen	**9.00**
50263	11/1/21	*****8373	Vonia Jackson	**103.00**
50264	11/1/21	*****8275	Mildred G Botello	**110.00**
50265	11/1/21	*****0478	Destiny S Albert	**265.00**
50266	11/1/21	*****8665	Nieza M Burrus	**250.00**
50267	11/1/21	*****8612	Regina D Tucker	**68.00**
50268	11/1/21	*****9687	Carol J Davis	**48.00**
50269	11/1/21	*****7988	Melvina D Brunt	**177.00**
50270	11/1/21	*****8959	Tara C Cole	**277.00**
50271	11/1/21	*****6015	Sherron A Camp	**292.00**
50272	11/1/21	*****0531	Akilah Z Parker	**145.00**
50273	11/1/21	*****5301	Tiffany N Butler	**121.00**
50274	11/1/21	*****5492	Michelle m Berry	**7.00**
50275	11/1/21	*****7135	Michele N Nichols	**80.00**
50276	11/1/21	*****8831	Theresa p Jones	**7.00**
50277	11/1/21	*****5626	Lashawn P Fields	**3.00**
50278	11/1/21	*****5232	Kristina M Greer	**81.00**
50279	11/1/21	*****3113	Mannah S Parrott	**79.00**
50280	11/1/21	*****6215	Janet Brown	**118.36**
50281	11/1/21	*****4767	Freddie L Henderson	**39.00**
50282	11/1/21	*****9835	Darrell C Carter	**15.00**
50283	11/1/21	*****3181	Shirley J Strausbaugh	**11.00**
50284	11/1/21	*****2695	Monique Thompson	**60.00**
50285	11/1/21	*****4973	Be Thi Nguyen	**39.00**
50286	11/1/21	*****0903	Virgie r Gray	**61.00**
50287	11/1/21	*****6507	Melissa R Griffin	**29.00**
50288	11/1/21	*****1129	Tiffany L Pellom	**22.00**
50289	11/1/21	*****4736	Michelle T Cocker	**265.00**
50290	11/1/21	*****4987	Delois Sanford	**11.00**
50291	11/1/21	*****3869	Charlene M Best	**90.00**
50292	11/1/21	*****8818	Renee d Ford	**66.00**
50293	11/1/21	*****4721	Ebony N Manning	**42.00**
50294	11/1/21	*****1595	Theresa M Evans	**35.00**
50296	11/1/21	*****8494	Kimdreal G Venson	**101.00**

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50297	11/1/21	*****4672	Latasha P Martin	**21.00**
50298	11/1/21	*****5692	Jakeesha S Acree	**292.00**
50299	11/1/21	*****1606	Tamika Brown	**62.00**
50300	11/1/21	*****8308	DeAndre A Ellingberg	**106.00**
50301	11/1/21	*****5083	Crystal j Houston	**229.00**
50302	11/1/21	*****8992	Carrie L Saravia	**275.00**
50303	11/1/21	*****6858	Shawna M Jones	**43.00**
50304	11/1/21	*****1698	Genevieve L Allen	**230.00**
50305	11/1/21	*****6438	Kwaume J Frederick	**116.00**
50306	11/1/21	*****6573	Hermajo L Hoskins	**111.00**
50307	11/1/21	*****6355	Linda P Smith	**92.00**
50308	11/1/21	*****8533	Ebony N Washington	**265.00**
50309	11/1/21	*****0256	Debra Gregory	**45.00**
50310	11/1/21	*****3277	Stacie J Hogan	**167.00**
50311	11/1/21	*****8765	Antoinette D Durrett	**178.00**
50312	11/1/21	*****2542	Sau C Ly	**26.00**
50313	11/1/21	*****6953	Nathan Banks JR	**47.00**
50314	11/1/21	*****0342	Beverly A Lockwood	**7.00**
50315	11/1/21	*****0410	Ashley S Andrews	**26.00**
50316	11/1/21	*****6598	Ardean M Goulart	**39.00**
50317	11/1/21	*****1951	Vinisha D Thornton	**25.00**
50318	11/1/21	*****0849	Briana l Edwards	**132.00**
50319	11/1/21	*****7822	Daudi K Edmond	**55.00**
50320	11/1/21	*****5758	Monique c Chaves	**215.00**
50321	11/1/21	*****6095	Leilani S Gomez	**280.00**
50322	11/1/21	*****9325	JOW & AAW, LLC	**1,706.00**
50323	11/1/21	*****6825	A Classey Corp. DBA: ACL Property Management	**1,400.00**
50324	11/1/21	*****9326	Western Addition Apartments, LLC	**4,145.00**
50325	11/1/21	*****8574	Alamo Square Apartments LLC	**2,601.00**
50326	11/1/21	*****1636	Jimmy Bhatia	**1,486.00**
50327	11/1/21	*****3581	Mommi Cannon	**2,796.00**
50328	11/1/21	*****2361	George Edward Cole	**1,635.00**
50329	11/1/21	*****2979	Mr. Donald Rhodes C/O Paul Shatswell Estate	**1,541.00**
50330	11/1/21	*****7079	Federal D Glover	**1,834.00**
50331	11/1/21	*****6137	Guild Mortgage Loan # 503-2003900	**2,458.00**
50332	11/1/21	*****0348	Hartz Property Management	**1,720.00**
50333	11/1/21	*****1057	Diamond Hillside Apartments	**3,274.00**
50334	11/1/21	*****2959	San Francisco Housing Authority	**2,599.14**
50335	11/1/21	*****3941	Steven Lau	**2,364.00**

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	50336	11/1/21	*****4593	Miaogen Lu		**2,725.00**
	50337	11/1/21	*****3124	Dante McDonald		**1,127.00**
	50338	11/1/21	*****4305	Darryl H. Milburn		**1,789.00**
	50339	11/1/21	*****2593	Ba Nguyen Thu Thi Ngo		**1,963.00**
	50340	11/1/21	*****9182	Lorene Paysinger		**1,816.00**
	50341	11/1/21	*****7243	Linda Phon		**1,480.00**
	50343	11/1/21	*****2839	Salmana S. Shah		**1,781.00**
	50344	11/1/21	*****7396	Sierra Pacific Properties		**6,001.00**
	50345	11/1/21	*****8705	Khalid Sultan		**1,695.00**
	50346	11/1/21	*****8191	Albert S Tam		**1,256.00**
	50347	11/1/21	*****5770	Ventana Rental Homes		**1,855.00**
	50348	11/1/21	*****3239	Veritel Homes LLC		**759.00**
	50349	11/1/21	*****1355	San Marcos Villas		**1,419.00**
	50350	11/1/21	*****9322	Western Upper Haight Street Apartments, LLC		**3,513.00**
	50351	11/1/21	*****1102	Ying Na Yeung		**1,467.00**
	50353	11/1/21	*****1535	Fanny Kao Huang		**1,800.00**
	50354	11/1/21	*****7378	Marina Heights Apartments, LP		**19,319.00**
	50355	11/1/21	*****7378	Marina Heights Apartments, LP		**18,578.00**
	50356	11/1/21	*****7378	Marina Heights Apartments, LP		**13,757.00**
*	110121001	11/1/21	*****2626	9th Street Associates, LP	DD - ES	**5,980.00**
	110121002	11/1/21	*****0229	Meerwais Abdiani	DD - ES	**926.00**
	110121003	11/1/21	*****8167	ABJ Enterprises, Inc. dba Blue Line Property Management	DD - ES	**17,142.00**
	110121004	11/1/21	*****9050	Leonda R Addison	DD - ES	**2,103.00**
	110121005	11/1/21	*****7139	Amitabh Agrawal	DD - ES	**1,557.00**
	110121006	11/1/21	*****6232	Rosario Aguilar	DD - ES	**1,117.00**
	110121007	11/1/21	*****5759	Rosa Aguirre	DD - ES	**2,071.00**
	110121008	11/1/21	*****9530	Demetrius Alexander	DD - ES	**1,780.00**
	110121009	11/1/21	*****5726	Jane Alexander	DD - ES	**710.00**
	110121010	11/1/21	*****9681	Dale Alvarez	DD - ES	**1,551.00**
	110121012	11/1/21	*****0104	Cecilia Anderson	DD - ES	**1,974.00**
	110121013	11/1/21	*****9111	Shawn Anderson	DD - ES	**2,233.00**
	110121014	11/1/21	*****5423	Anisa Ebadi	DD - ES	**2,540.00**
	110121015	11/1/21	*****5951	Stoneman Apartments	DD - ES	**32,001.00**
	110121016	11/1/21	*****5951	Stoneman Apartments	DD - ES	**11,265.00**
	110121017	11/1/21	*****8701	Mariteresa Arenson c/o Select 1 Realty	DD - ES	**2,008.00**
	110121018	11/1/21	*****0707	Sergeant or Sima Austin	DD - ES	**1,148.00**
	110121019	11/1/21	*****4941	Shruti Motilal Ba-Harani	DD - ES	**2,199.00**

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110121020	11/1/21	*****2764	Mel L. Banagan	DD - ES	**1,714.00**
110121021	11/1/21	*****4138	Carlos G. Barraza	DD - ES	**820.00**
110121022	11/1/21	*****3909	Ken Bartlett	DD - ES	**1,446.00**
110121023	11/1/21	*****1494	Donald Scott Barbour	DD - ES	**2,627.00**
110121024	11/1/21	*****7563	John Charles Bautista	DD - ES	**1,939.00**
110121025	11/1/21	*****3637	Christine Becerra	DD - ES	**1,175.00**
110121026	11/1/21	*****9093	Holly A Hawkins	DD - ES	**4,933.00**
110121028	11/1/21	*****8614	Charles Bell and Camino Johnson-Bell	DD - ES	**1,815.00**
110121029	11/1/21	*****2521	Belmont Apartments	DD - ES	**29,325.00**
110121030	11/1/21	*****2521	Belmont Apartments	DD - ES	**31,520.00**
110121031	11/1/21	*****2521	Belmont Apartments	DD - ES	**30,691.00**
110121032	11/1/21	*****5996	Alex Benjamen	DD - ES	**934.00**
110121033	11/1/21	*****6465	Tennyson Berry	DD - ES	**1,643.00**
110121034	11/1/21	*****8634	Bethel Global Development LLC	DD - ES	**2,403.00**
110121035	11/1/21	*****2209	Gina Bhatia	DD - ES	**2,805.00**
110121036	11/1/21	*****7075	Som N Bhatia	DD - ES	**4,723.00**
110121037	11/1/21	*****0602	Pinakin Bhatt	DD - ES	**2,443.00**
110121038	11/1/21	*****8470	Joseph B. Bachir	DD - ES	**1,605.00**
110121039	11/1/21	*****5924	Steven Booras	DD - ES	**2,265.00**
110121040	11/1/21	*****1438	2018-2 IH Borrower LP	DD - ES	**2,114.00**
110121041	11/1/21	*****2439	Rosie M Boyd	DD - ES	**2,698.00**
110121042	11/1/21	*****8847	Victoria Boyko	DD - ES	**2,051.00**
110121043	11/1/21	*****3037	Kelly Ann Bradford	DD - ES	**1,441.00**
110121044	11/1/21	*****7855	Mariya Briggs	DD - ES	**3,081.00**
110121045	11/1/21	*****6215	Janet Brown	DD - ES	**2,020.64**
110121046	11/1/21	*****7469	Jessica G. Platt	DD - ES	**1,477.00**
110121047	11/1/21	*****9954	Blue Sapphire Homes, Inc.	DD - ES	**2,589.00**
110121048	11/1/21	*****2142	Huong T. Bui	DD - ES	**4,200.00**
110121051	11/1/21	*****4042	Donnell I. Carson	DD - ES	**1,863.00**
110121052	11/1/21	*****2700	Carpino, LLC	DD - ES	**1,981.00**
110121053	11/1/21	*****5079	Castle Creek Company, Inc. Trust Account	DD - ES	**1,528.00**
110121054	11/1/21	*****6006	Christopher Todd Chambers	DD - ES	**2,150.00**
110121055	11/1/21	*****6869	Cora Ann Chambers	DD - ES	**745.00**
110121056	11/1/21	*****5571	P. M. Chaobal	DD - ES	**2,165.00**
110121057	11/1/21	*****9661	Chao Chen	DD - ES	**474.00**
110121058	11/1/21	*****1853	Hong Chen	DD - ES	**4,994.00**
110121059	11/1/21	*****8946	Jienlin Chen	DD - ES	**4,927.00**
110121060	11/1/21	*****4714	Wenhua Chen	DD - ES	**2,361.00**
110121061	11/1/21	*****5473	Hwa-Yoong Chiu	DD - ES	**2,467.00**

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110121062	11/1/21	*****3211	Ada Choi	DD - ES	**2,556.00**
110121063	11/1/21	*****2454	Chun Ok Choi	DD - ES	**3,794.00**
110121064	11/1/21	*****7759	Michele Choi	DD - ES	**2,291.00**
110121065	11/1/21	*****2433	Chau Chung	DD - ES	**2,632.00**
110121066	11/1/21	*****0310	City of Pittsburg Housing Authority	DD - ES	**3,922.00**
110121067	11/1/21	*****3591	Juan F. Clara	DD - ES	**1,233.00**
110121068	11/1/21	*****1362	College Park Housing Authority	DD - ES	**0.00**
110121069	11/1/21	*****0855	Adolph Rudolph Cortesi III	DD - ES	**1,670.00**
110121070	11/1/21	*****5708	David Elmer Cortesi	DD - ES	**1,311.00**
110121071	11/1/21	*****0746	Contra Costa County Housing Authority	DD - ES	**1,125.14**
110121072	11/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**25,895.00**
110121073	11/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**25,454.00**
110121074	11/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**23,342.00**
110121076	11/1/21	*****6569	Jeannette D. Crespo	DD - ES	**2,616.00**
110121077	11/1/21	*****7900	Patricia Crosby	DD - ES	**1,664.00**
110121078	11/1/21	*****3327	Jorge Robert Dagys Delevan Catty Leticia Pajoluk	DD - ES	**1,739.00**
110121079	11/1/21	*****6248	Justin Dailey	DD - ES	**1,464.00**
110121080	11/1/21	*****1622	Dam Quang To	DD - ES	**2,721.00**
110121081	11/1/21	*****0793	Danica J. French Evans	DD - ES	**1,714.00**
110121082	11/1/21	*****2963	Audrey Davis	DD - ES	**1,348.00**
110121083	11/1/21	*****0396	Kesha E. Davis	DD - ES	**1,091.00**
110121084	11/1/21	*****8929	Kevin Davidson	DD - ES	**1,252.00**
110121085	11/1/21	*****4961	Paulette Davis	DD - ES	**1,621.00**
110121086	11/1/21	*****6115	Roshan M. Davis	DD - ES	**1,429.00**
110121087	11/1/21	*****9068	Jagdeep or Shashi Dayal	DD - ES	**3,685.00**
110121088	11/1/21	*****2031	Wayman Dea	DD - ES	**1,825.00**
110121089	11/1/21	*****8370	Charles Dellamore	DD - ES	**1,850.00**
110121090	11/1/21	*****5882	David De La Torre	DD - ES	**1,757.00**
110121091	11/1/21	*****1004	Brigitte P. Doan	DD - ES	**5,560.00**
110121092	11/1/21	*****3531	Anna Phuongnam Thi Do	DD - ES	**4,609.00**
110121093	11/1/21	*****9716	JoAnn or Larry Domina	DD - ES	**1,390.00**
110121094	11/1/21	*****5568	Ester Coleman Dunlap	DD - ES	**1,481.00**
110121095	11/1/21	*****5326	Tyrone W. Duncan	DD - ES	**1,756.00**
110121096	11/1/21	*****6538	Linda Duong	DD - ES	**1,345.00**
110121097	11/1/21	*****3406	Mercy Housing California XXXVIII East Leland Court Apartments	DD - ES	**2,555.00**
110121098	11/1/21	*****0372	Doris Engle Family Ltd Partnership c/o Select 1 Realty	DD - ES	**1,313.00**
110121099	11/1/21	*****3757	Alma B Espiritu	DD - ES	**2,078.00**

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110121100	11/1/21	*****4023	Johnathan Espinoza	DD - ES	**1,486.00**
110121101	11/1/21	*****8122	Gerardo M. Esquivel	DD - ES	**1,154.00**
110121102	11/1/21	*****6027	Jianxin Fang	DD - ES	**5,315.00**
110121103	11/1/21	*****1830	Xiangfang Li	DD - ES	**2,794.00**
110121104	11/1/21	*****3602	Favian M. Wong	DD - ES	**2,400.00**
110121105	11/1/21	*****3835	Michael Mao C/O Jing Feng	DD - ES	**2,851.00**
110121106	11/1/21	*****2790	Barbara J. Fierner	DD - ES	**1,775.00**
110121107	11/1/21	*****9447	Joseph Field	DD - ES	**1,137.00**
110121108	11/1/21	*****7691	Hernan Roberto Figueroa	DD - ES	**1,570.00**
110121109	11/1/21	*****0962	Tochia D. Brewster Fleeton	DD - ES	**1,452.00**
110121110	11/1/21	*****5773	Alexander Flowers	DD - ES	**1,395.00**
110121111	11/1/21	*****4032	Fox Creek Apartments	DD - ES	**26,121.00**
110121112	11/1/21	*****4032	Fox Creek Apartments	DD - ES	**4,242.00**
110121113	11/1/21	*****0284	Monica Fraga	DD - ES	**1,775.00**
110121114	11/1/21	*****6894	Rejois O Frazier	DD - ES	**3,852.00**
110121116	11/1/21	*****6265	Mr. Darren Fuller	DD - ES	**2,164.00**
110121117	11/1/21	*****8997	Fan Fuller	DD - ES	**1,712.00**
110121118	11/1/21	*****9634	Gialene Gaines	DD - ES	**2,050.00**
110121119	11/1/21	*****9590	Aminifu Gamba	DD - ES	**2,677.00**
110121120	11/1/21	*****2189	Kelly Yu Min Gao	DD - ES	**2,331.00**
110121121	11/1/21	*****6981	Adraine Gardner	DD - ES	**1,466.00**
110121122	11/1/21	*****4278	Antoinette L Garcia	DD - ES	**1,212.00**
110121123	11/1/21	*****7036	David Gardner	DD - ES	**3,364.00**
110121124	11/1/21	*****0785	Rupesh Garg	DD - ES	**2,377.00**
110121125	11/1/21	*****2931	William H. Gardiner	DD - ES	**2,204.00**
110121126	11/1/21	*****5111	Gateway Apartments	DD - ES	**6,285.00**
110121127	11/1/21	*****5298	Parvindokht Ghaboulidashti	DD - ES	**1,110.00**
110121128	11/1/21	*****2770	Eva Gholson	DD - ES	**1,738.00**
110121129	11/1/21	*****1145	Vernon or Eva Gholson	DD - ES	**2,660.00**
110121130	11/1/21	*****5958	Jacqueline Gill	DD - ES	**1,486.00**
110121131	11/1/21	*****3566	Mahavir Gill Mahavir S Gill Sr	DD - ES	**5,077.00**
110121132	11/1/21	*****8187	Sukpran Gill	DD - ES	**1,483.00**
110121133	11/1/21	*****6084	Gold A and S LLC	DD - ES	**2,456.00**
110121134	11/1/21	*****6208	Hadiya A Gomez	DD - ES	**846.00**
110121135	11/1/21	*****3032	Jesse Gonzaga	DD - ES	**2,494.00**
110121136	11/1/21	*****2367	Ting Gong	DD - ES	**2,163.00**
110121137	11/1/21	*****6940	Frances Greene	DD - ES	**2,676.00**
110121138	11/1/21	*****4872	Rodney Green	DD - ES	**935.00**
110121139	11/1/21	*****3361	Rupinder Grewal	DD - ES	**2,972.00**

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110121140	11/1/21	*****7325	Patricia Gridley	DD - ES	**760.50**
110121141	11/1/21	*****6305	Italo Grossi	DD - ES	**1,595.00**
110121142	11/1/21	*****6721	Amparo Guardado Cesar Q. Guardado	DD - ES	**1,413.00**
110121143	11/1/21	*****0940	Krystle Guan	DD - ES	**4,076.00**
110121144	11/1/21	*****5987	Bob Gunson Real Estate C/O Julie Hang	DD - ES	**1,359.00**
110121145	11/1/21	*****5267	Abhilash Gupta	DD - ES	**2,956.00**
110121146	11/1/21	*****7930	Donald R. Watson, Sr.	DD - ES	**878.00**
110121147	11/1/21	*****2314	Nicole Hackett	DD - ES	**1,488.00**
110121148	11/1/21	*****6176	Asharfun Nisha Hafiz	DD - ES	**1,597.00**
110121149	11/1/21	*****0457	Jeffrey Paul Hagler	DD - ES	**5,558.00**
110121150	11/1/21	*****9827	Delores Jane Hall	DD - ES	**1,712.00**
110121151	11/1/21	*****4299	Clarence Jerome Hardison	DD - ES	**2,642.00**
110121152	11/1/21	*****6228	David L Hart	DD - ES	**1,939.00**
110121153	11/1/21	*****1769	Lawrence Harrold	DD - ES	**6,467.00**
110121154	11/1/21	*****7423	Delta Hawaii Garden Apartments LLC	DD - ES	**8,515.00**
110121155	11/1/21	*****5859	Chuanhu He	DD - ES	**1,911.00**
110121156	11/1/21	*****0855	Ji Yuan He	DD - ES	**2,026.00**
110121157	11/1/21	*****6728	David T. Hennigan	DD - ES	**15,820.00**
110121158	11/1/21	*****3097	Silvester C. Henderson	DD - ES	**3,228.00**
110121159	11/1/21	*****2157	Elias Herrera	DD - ES	**363.00**
110121160	11/1/21	*****1603	Marva Hill	DD - ES	**357.00**
110121161	11/1/21	*****3207	Chainchal Hira	DD - ES	**2,032.00**
110121162	11/1/21	*****6255	Carl E. Hoard II	DD - ES	**1,319.00**
110121163	11/1/21	*****7386	Hanh Huu Hoang	DD - ES	**2,803.00**
110121164	11/1/21	*****5654	Havy S Hoag	DD - ES	**2,087.00**
110121165	11/1/21	*****4106	Albert Ho	DD - ES	**1,746.00**
110121166	11/1/21	*****8576	Joyce Ann Hoffman	DD - ES	**1,316.00**
110121167	11/1/21	*****4543	Ronald G. Holmes	DD - ES	**1,360.00**
110121168	11/1/21	*****7987	SRH Holdings LLC	DD - ES	**3,342.00**
110121169	11/1/21	*****2768	Invitation Homes	DD - ES	**484.00**
110121170	11/1/21	*****5700	Tony Ho	DD - ES	**1,367.00**
110121171	11/1/21	*****9956	Cheng Huang	DD - ES	**2,794.00**
110121172	11/1/21	*****8816	Ming Zin Huang	DD - ES	**2,860.00**
110121173	11/1/21	*****7984	Tao Huang	DD - ES	**7,045.00**
110121174	11/1/21	*****7838	Xia Jing Huang	DD - ES	**2,586.00**
110121175	11/1/21	*****9084	Nancy Xiu Zhen Hu	DD - ES	**1,985.00**
110121176	11/1/21	*****6229	Thinh Trieu Huynh	DD - ES	**2,400.00**
110121177	11/1/21	*****0778	IGreen House Inc.	DD - ES	**910.00**
110121178	11/1/21	*****7951	IH5 Property West LP	DD - ES	**3,228.00**

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110121179	11/1/21	*****8323	Keyee Investment LLC	DD - ES	**1,451.00**
110121180	11/1/21	*****1017	LaShon D Irving	DD - ES	**1,991.00**
110121181	11/1/21	*****6821	Michael or Kay Isola	DD - ES	**2,319.00**
110121182	11/1/21	*****4913	Jabbarr Love	DD - ES	**1,891.00**
110121183	11/1/21	*****2036	Brandi Jackson c/o Perry Realty Team	DD - ES	**2,165.00**
110121184	11/1/21	*****1075	Consuelo Marie Jackson	DD - ES	**2,920.00**
110121185	11/1/21	*****5120	Deepika Sameer Jain	DD - ES	**5,171.00**
110121186	11/1/21	*****4910	Sameer Jain	DD - ES	**7,887.00**
110121187	11/1/21	*****3307	Vishal S. Jain	DD - ES	**1,157.00**
110121188	11/1/21	*****1349	Jason Le	DD - ES	**2,611.00**
110121189	11/1/21	*****6917	Jian Xing Zhang	DD - ES	**1,486.00**
110121190	11/1/21	*****3090	Krystal Johnson	DD - ES	**1,942.00**
110121191	11/1/21	*****8569	Ronita Johnson	DD - ES	**1,480.00**
110121192	11/1/21	*****8867	James Jones	DD - ES	**1,486.00**
110121193	11/1/21	*****2434	Sharon Jones	DD - ES	**1,923.00**
110121194	11/1/21	*****4905	Mostaeen B Jouya	DD - ES	**1,700.00**
110121195	11/1/21	*****5647	Om Parkash Kalra	DD - ES	**3,231.00**
110121196	11/1/21	*****8425	Wei Kang	DD - ES	**4,841.00**
110121197	11/1/21	*****7429	Navkirandeep Kaur	DD - ES	**2,380.00**
110121198	11/1/21	*****5248	KC Prime LLC	DD - ES	**2,050.00**
110121199	11/1/21	*****6180	K. E. M. Group LLC	DD - ES	**1,830.00**
110121200	11/1/21	*****9411	Anthony Keslinke	DD - ES	**3,512.00**
110121201	11/1/21	*****6230	Kevin Moffett	DD - ES	**2,318.00**
110121202	11/1/21	*****2578	Faraz Ali Khan	DD - ES	**1,436.00**
110121203	11/1/21	*****0888	KW Kirker Creek, LLC	DD - ES	**3,021.00**
110121204	11/1/21	*****9221	John N Kitta	DD - ES	**2,784.00**
110121205	11/1/21	*****7475	Qi Yun Kuang	DD - ES	**6,293.00**
110121206	11/1/21	*****8506	Simon Kailiang Kuang	DD - ES	**1,659.00**
110121207	11/1/21	*****9316	Zdzislaw Kujawa	DD - ES	**1,335.00**
110121208	11/1/21	*****2585	Daniel Kwan	DD - ES	**3,371.00**
110121209	11/1/21	*****8326	Thomas LaFleur	DD - ES	**1,480.00**
110121210	11/1/21	*****7845	Chow Kang Lam	DD - ES	**1,415.00**
110121211	11/1/21	*****6520	Shirley Manly-Lampkin	DD - ES	**1,051.00**
110121212	11/1/21	*****7975	Peter C. Larsen	DD - ES	**1,454.00**
110121213	11/1/21	*****2401	Kevin Lassair Terrilyn Lassair	DD - ES	**1,175.00**
110121214	11/1/21	*****4732	Latif, LLC	DD - ES	**2,628.00**
110121215	11/1/21	*****2293	LCSTAR, LLC	DD - ES	**4,112.00**
110121216	11/1/21	*****0984	Dao Tran Le	DD - ES	**2,018.00**
110121217	11/1/21	*****8548	Jack Wai Lee	DD - ES	**2,370.00**

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110121218	11/1/21	*****1755	Siu Wan Windytiti Lee	DD - ES	**2,235.00**
110121219	11/1/21	*****2527	Steven Lee	DD - ES	**1,664.00**
110121220	11/1/21	*****5289	Yuhjen Juang Lee	DD - ES	**1,899.00**
110121221	11/1/21	*****7087	Huy Nguyen Le	DD - ES	**2,461.00**
110121222	11/1/21	*****1860	Lena Le	DD - ES	**714.00**
110121223	11/1/21	*****3782	Joseph C. Lerma	DD - ES	**1,420.00**
110121224	11/1/21	*****3555	Yiping I. and Frederic Leroudier	DD - ES	**1,298.00**
110121225	11/1/21	*****3410	John M. Leung	DD - ES	**8,014.00**
110121226	11/1/21	*****3743	May Leung or Rodney Chen	DD - ES	**3,770.00**
110121227	11/1/21	*****2110	Peter Leung	DD - ES	**2,499.00**
110121228	11/1/21	*****3386	James J. Busby and Irvin Deutcher a Partnership DBA Crestview Apartments	DD - ES	**8,521.00**
110121229	11/1/21	*****0416	Faqiang Li	DD - ES	**2,449.00**
110121230	11/1/21	*****8871	Jie Li	DD - ES	**1,762.00**
110121231	11/1/21	*****7827	Jinhuan Li	DD - ES	**1,505.00**
110121232	11/1/21	*****9346	Joshua Li	DD - ES	**1,123.00**
110121233	11/1/21	*****2649	Tim Lindstrom c/o AAA Property Management	DD - ES	**1,166.00**
110121234	11/1/21	*****3881	Vivian Y Li	DD - ES	**1,226.00**
110121236	11/1/21	*****0050	Wei Min Li	DD - ES	**2,202.00**
110121237	11/1/21	*****9003	Ying Hong Li	DD - ES	**1,357.00**
110121238	11/1/21	*****0198	Belkis Zhong Li	DD - ES	**2,596.00**
110121239	11/1/21	*****1646	Paul Long	DD - ES	**2,001.00**
110121240	11/1/21	*****1474	Los Medanos Village Apartments	DD - ES	**14,235.00**
110121241	11/1/21	*****7531	Tony or Yvonne Louie	DD - ES	**1,425.00**
110121242	11/1/21	*****3708	Anthony Charles Loyola	DD - ES	**547.00**
110121243	11/1/21	*****7720	Jose Loza	DD - ES	**883.00**
110121244	11/1/21	*****2354	Andrew Kin Lui	DD - ES	**2,383.00**
110121245	11/1/21	*****4658	Wei Liu Guangxin Frank Liu	DD - ES	**1,482.00**
110121246	11/1/21	*****7843	The Entrust Group, Inc. FBO Theodore Lum IRA (acct #34892)	DD - ES	**1,374.00**
110121247	11/1/21	*****1821	Curtis H. Lundberg	DD - ES	**560.00**
110121248	11/1/21	*****1494	Xiangwen Lu	DD - ES	**4,962.00**
110121249	11/1/21	*****2147	Chi Vien Ly	DD - ES	**1,301.00**
110121250	11/1/21	*****6525	Madelyn Ann Massey Trustee of the 2017 Massey Family Trust	DD - ES	**1,683.00**
110121251	11/1/21	*****5865	Rakesh Madra	DD - ES	**3,152.00**
110121252	11/1/21	*****2191	Radha Mahesram	DD - ES	**2,240.00**
110121253	11/1/21	*****7358	Mahnoor Tariq	DD - ES	**2,452.00**
110121254	11/1/21	*****4372	Jennifer Leung Ma	DD - ES	**3,662.00**
110121255	11/1/21	*****1989	Jeff Mann	DD - ES	**7,114.00**

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110121256	11/1/21	*****5378	Glenn Marshall	DD - ES	**2,403.00**
110121257	11/1/21	*****2875	Marla Y Harrison	DD - ES	**527.00**
110121258	11/1/21	*****4697	Elisa Aurora Martinez	DD - ES	**2,746.00**
110121259	11/1/21	*****9206	Demetria d Mason	DD - ES	**2,624.00**
110121260	11/1/21	*****9994	Matthew Lui	DD - ES	**1,647.00**
110121261	11/1/21	*****6768	Matrixone Realty	DD - ES	**1,091.00**
110121263	11/1/21	*****5255	Helen McCarthy	DD - ES	**1,933.00**
110121264	11/1/21	*****1152	Janice K McLean	DD - ES	**2,088.00**
110121265	11/1/21	*****4675	Meadow Glen Apartments	DD - ES	**1,925.00**
110121266	11/1/21	*****9866	Tatung Mei	DD - ES	**3,564.00**
110121267	11/1/21	*****5245	Jinyu Meng	DD - ES	**1,653.00**
110121268	11/1/21	*****4885	Sabine Menzel	DD - ES	**4,611.00**
110121269	11/1/21	*****0133	Mercedes P. Johnson	DD - ES	**748.00**
110121270	11/1/21	*****8272	Hector Meza	DD - ES	**932.00**
110121271	11/1/21	*****9885	Andrew S Miloslavich	DD - ES	**1,904.00**
110121272	11/1/21	*****7437	Perchak Properties for Carol Miller	DD - ES	**2,244.00**
110121273	11/1/21	*****4000	Millennium Homes	DD - ES	**2,012.00**
110121274	11/1/21	*****9782	Maryann Miller	DD - ES	**1,856.00**
110121275	11/1/21	*****2618	Carlos J Miranda	DD - ES	**579.00**
110121276	11/1/21	*****0772	Hassan Mirabedi	DD - ES	**7,892.00**
110121277	11/1/21	*****6741	Gwendolyn Mitchell	DD - ES	**4,351.00**
110121278	11/1/21	*****4885	Momin Raees	DD - ES	**1,824.00**
110121279	11/1/21	*****0985	Rodney Montgomery or Sharon Montgomery	DD - ES	**1,652.00**
110121280	11/1/21	*****4676	Erik L Morris	DD - ES	**1,874.00**
110121281	11/1/21	*****3624	Diane Morin	DD - ES	**1,990.00**
110121282	11/1/21	*****8820	Brien Brothers, LLC C/O Mynd Management, IC.	DD - ES	**803.00**
110121283	11/1/21	*****1388	Mynd Management Inc,	DD - ES	**4,155.00**
110121284	11/1/21	*****0105	Ehsan Nabkel	DD - ES	**3,552.00**
110121285	11/1/21	*****6234	Shinder Paul Narabut	DD - ES	**6,828.00**
110121286	11/1/21	*****0054	NC Associates, Inc.	DD - ES	**16,899.00**
110121287	11/1/21	*****9180	Michael Nelson	DD - ES	**2,938.00**
110121288	11/1/21	*****5257	Guy Nesbeth	DD - ES	**1,741.00**
110121289	11/1/21	*****1072	Dominic Y Ng	DD - ES	**2,857.00**
110121290	11/1/21	*****3604	Knowland Ging Ng	DD - ES	**2,083.00**
110121291	11/1/21	*****8594	Patrick Ng Mike Perry, Property Manager	DD - ES	**1,321.00**
110121292	11/1/21	*****0738	Hieu Nguyen	DD - ES	**1,642.00**
110121293	11/1/21	*****7154	Huy Quang Nguyen	DD - ES	**2,162.00**
110121294	11/1/21	*****8307	Mai Thi Thanh Nguyen	DD - ES	**1,925.00**
110121295	11/1/21	*****4366	Quyen Nguyen	DD - ES	**1,857.00**

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110121296	11/1/21	*****8241	Tieu Nguyen	DD - ES	**688.00**
110121297	11/1/21	*****2660	Nichole Nicholson	DD - ES	**2,500.00**
110121298	11/1/21	*****7265	Ernest Nichols III	DD - ES	**3,323.00**
110121299	11/1/21	*****6497	Peter Niloufari	DD - ES	**5,425.00**
110121301	11/1/21	*****8129	Kevin Nord	DD - ES	**1,690.00**
110121302	11/1/21	*****0056	Richard A Norte	DD - ES	**1,915.00**
110121303	11/1/21	*****2286	North State Financial, Inc.	DD - ES	**1,094.00**
110121304	11/1/21	*****7171	New Way Management Services, Inc.	DD - ES	**19,860.00**
110121305	11/1/21	*****0056	Sheryl O'Brien	DD - ES	**882.00**
110121306	11/1/21	*****1194	Jennifer Odei	DD - ES	**1,484.00**
110121307	11/1/21	*****5572	Dwight J Owens	DD - ES	**643.00**
110121308	11/1/21	*****1780	Diane Oles	DD - ES	**1,694.00**
110121309	11/1/21	*****4543	Esosa A. Omokaro	DD - ES	**1,932.00**
110121310	11/1/21	*****3741	Sandra L Ortiz	DD - ES	**1,785.00**
110121311	11/1/21	*****1081	Chinenye Osuagwu	DD - ES	**2,716.00**
110121312	11/1/21	*****3324	Mutlu Ozer	DD - ES	**2,577.00**
110121313	11/1/21	*****6009	Diablo Pacific, Inc.	DD - ES	**3,297.00**
110121314	11/1/21	*****4083	Pacific Living, LLC	DD - ES	**2,769.00**
110121315	11/1/21	*****7811	Hemangini & Vijendra Patel	DD - ES	**2,800.00**
110121316	11/1/21	*****0885	Kokila Patel	DD - ES	**787.00**
110121317	11/1/21	*****0346	Patiala, LLC Deepinder Kaur or Ajay Singh	DD - ES	**1,282.00**
110121318	11/1/21	*****8684	Virendra M. Patel	DD - ES	**574.00**
110121319	11/1/21	*****8047	Jason Pauline	DD - ES	**1,760.00**
110121320	11/1/21	*****3189	Loycell Peacock	DD - ES	**1,391.00**
110121321	11/1/21	*****5165	Scott Pease	DD - ES	**1,272.00**
110121322	11/1/21	*****8805	Alonso R. Perez	DD - ES	**1,486.00**
110121323	11/1/21	*****3278	Maria Del Carmen Perez	DD - ES	**268.00**
110121324	11/1/21	*****6784	Lowde Y. Perkins	DD - ES	**922.00**
110121325	11/1/21	*****4893	Cong Thi Pham	DD - ES	**1,922.00**
110121326	11/1/21	*****5884	May K. Pho	DD - ES	**2,583.00**
110121327	11/1/21	*****0958	Pittsburg Park Apartments	DD - ES	**2,952.00**
110121328	11/1/21	*****2744	SK Pittsburg Bay Point SK Pittsburg Bay Point	DD - ES	**1,458.00**
110121329	11/1/21	*****1097	Bay Point Orphans Fund, LLC	DD - ES	**1,712.00**
110121330	11/1/21	*****8826	Prime Metropolis Properties, Inc.	DD - ES	**2,486.00**
110121331	11/1/21	*****2849	IH5 Property West LP	DD - ES	**1,769.00**
110121332	11/1/21	*****3398	Marples Property Management	DD - ES	**1,870.00**
110121333	11/1/21	*****4650	A. Meadows Property Management	DD - ES	**3,352.00**
110121334	11/1/21	*****6551	Parks Property Management	DD - ES	**1,711.00**
110121335	11/1/21	*****7789	Stokley Properties LLC Harbor	DD - ES	**3,174.00**

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110121336	11/1/21	*****8055	Property Upsurge, Inc.	DD - ES	**4,252.00**
110121337	11/1/21	*****0782	Amjad Qaqish	DD - ES	**835.00**
110121338	11/1/21	*****9542	Sam or Sonia Quinones	DD - ES	**1,800.00**
110121339	11/1/21	*****4029	Amos Radford	DD - ES	**1,387.00**
110121340	11/1/21	*****1034	Kuljit P Raju	DD - ES	**1,819.00**
110121341	11/1/21	*****2261	Paramjit K. Raju	DD - ES	**2,254.00**
110121342	11/1/21	*****3452	Christopher Ramirez	DD - ES	**2,042.00**
110121343	11/1/21	*****8489	Enrique or Stacy Ramirez	DD - ES	**531.00**
110121344	11/1/21	*****2162	Erika Ramirez	DD - ES	**1,345.00**
110121346	11/1/21	*****2283	Rohini Ram-Cline	DD - ES	**1,957.00**
110121347	11/1/21	*****6068	David Raughton	DD - ES	**1,933.00**
110121348	11/1/21	*****8337	RayCaro Inc.	DD - ES	**1,581.00**
110121349	11/1/21	*****8227	Croskey Real Estate, Inc.	DD - ES	**1,605.00**
110121350	11/1/21	*****6703	Amerasia Real Estate Fund LLC	DD - ES	**3,628.00**
110121351	11/1/21	*****7083	Reliant - Woods Grove, LP	DD - ES	**23,072.00**
110121352	11/1/21	*****7349	Eric Franklin Remson	DD - ES	**538.00**
110121353	11/1/21	*****3881	RH Portofino Owner CA LLC	DD - ES	**14,738.00**
110121354	11/1/21	*****9215	Kameryn Victoria Ray	DD - ES	**1,964.00**
110121355	11/1/21	*****9321	Roger Riley	DD - ES	**1,901.00**
110121356	11/1/21	*****4562	Rising Investments LLC	DD - ES	**6,880.00**
110121357	11/1/21	*****4809	Robert W. Daniels	DD - ES	**2,679.00**
110121358	11/1/21	*****0694	Jason Ruffin	DD - ES	**2,504.00**
110121359	11/1/21	*****4579	Elvira Ruiz	DD - ES	**1,746.00**
110121360	11/1/21	*****5248	Constance Russell	DD - ES	**2,300.00**
110121361	11/1/21	*****3871	Maridel P Santos	DD - ES	**1,649.00**
110121362	11/1/21	*****7615	Gregory Paul Schulz	DD - ES	**1,188.00**
110121363	11/1/21	*****9954	Richard M. Sciortino	DD - ES	**2,284.00**
110121364	11/1/21	*****7031	Jacqueline Selinger	DD - ES	**1,658.00**
110121365	11/1/21	*****5346	Young Sook Seroy	DD - ES	**1,566.00**
110121366	11/1/21	*****6765	SETRC, LLC	DD - ES	**2,559.00**
110121367	11/1/21	*****1446	Mohinder Sharma	DD - ES	**1,016.00**
110121368	11/1/21	*****7239	Shailesh & Bela Patel	DD - ES	**1,212.00**
110121369	11/1/21	*****1357	Mohammad Shekib	DD - ES	**1,939.00**
110121370	11/1/21	*****5981	Yihui Shi	DD - ES	**1,535.00**
110121371	11/1/21	*****5994	Shorten Investments LLC	DD - ES	**5,373.00**
110121372	11/1/21	*****7396	Sierra Pacific Properties Inc Sierra Pacific Properties Inc	DD - ES	**9,399.00**
110121373	11/1/21	*****7789	Siena Court Apartments	DD - ES	**15,277.00**
110121374	11/1/21	*****7396	Sierra Pacific Properties Peppertree Apartments	DD - ES	**4,337.00**
110121375	11/1/21	*****7396	Sierra Pacific Properties Woodland Hills Apartments	DD - ES	**27,123.00**

110121376	11/1/21	*****6650	Frank M. Siino	DD - ES	**982.00**
110121377	11/1/21	*****8035	Joseph Michael Siino	DD - ES	**1,530.00**
110121378	11/1/21	*****5399	Gloria Silva	DD - ES	**506.00**
110121379	11/1/21	*****8407	Marc J. Simpson	DD - ES	**1,688.00**
110121380	11/1/21	*****6058	Son Singh	DD - ES	**1,500.00**
110121381	11/1/21	*****0700	Crystal Situ	DD - ES	**1,270.00**
110121382	11/1/21	*****3853	Lakesha Michelle Smith Lionel R Smith	DD - ES	**1,975.00**
110121383	11/1/21	*****4970	Molly Smith	DD - ES	**1,898.00**
110121384	11/1/21	*****9092	Sherritta M Smith	DD - ES	**945.00**
110121385	11/1/21	*****2032	Cinthia Sosa	DD - ES	**2,473.00**
110121386	11/1/21	*****6977	Angela E. Robinson-Spencer	DD - ES	**2,131.00**
110121388	11/1/21	*****5343	Deborah Steppe	DD - ES	**1,784.00**
110121389	11/1/21	*****5308	Darice Streeter c/o R R Rentals	DD - ES	**1,900.00**
110121391	11/1/21	*****8216	Abby Sukarto	DD - ES	**3,581.00**
110121392	11/1/21	*****7479	Ms. Li Su	DD - ES	**1,351.00**
110121393	11/1/21	*****1235	Summit Venture Group, LLC	DD - ES	**2,701.00**
110121394	11/1/21	*****6168	Kamaljeet Surila	DD - ES	**1,754.00**
110121395	11/1/21	*****0804	Svetlana Kondratiouk	DD - ES	**3,040.00**
110121396	11/1/21	*****0399	Joyce Hui Sy	DD - ES	**7,715.00**
110121397	11/1/21	*****3065	Tasharie C. Ameral	DD - ES	**1,609.00**
110121398	11/1/21	*****6283	Yun Teng Weijie Zhang	DD - ES	**1,892.00**
110121399	11/1/21	*****9166	Ms. Natasha Terry	DD - ES	**2,675.00**
110121400	11/1/21	*****2164	Quyen Minh Thai	DD - ES	**2,875.00**
110121401	11/1/21	*****9314	Silvia Thein and Ada Choi	DD - ES	**2,200.00**
110121402	11/1/21	*****7191	Tequila Nashannon Thornton	DD - ES	**2,654.00**
110121403	11/1/21	*****4049	ChingJen Tong	DD - ES	**2,229.00**
110121404	11/1/21	*****1714	Yoway Wilson Tong	DD - ES	**1,486.00**
110121405	11/1/21	*****1405	Lourdes or Raymond Tovar	DD - ES	**1,374.00**
110121406	11/1/21	*****2094	Raphael Minhtuyen Tran	DD - ES	**2,923.00**
110121407	11/1/21	*****8623	Richard Tran	DD - ES	**2,783.00**
110121408	11/1/21	*****1327	Thuy Tran	DD - ES	**1,148.00**
110121409	11/1/21	*****6165	Thanh Van Trinh	DD - ES	**1,422.00**
110121410	11/1/21	*****5313	Sean Thuyet Truong	DD - ES	**1,094.00**
110121411	11/1/21	*****9321	Van Truong	DD - ES	**1,717.00**
110121412	11/1/21	*****6917	Erica Uschold	DD - ES	**2,950.00**
110121413	11/1/21	*****4582	Lidia Valladares	DD - ES	**1,169.00**
110121414	11/1/21	*****0250	Victor D Valenzuela	DD - ES	**1,498.00**
110121415	11/1/21	*****3371	Gary D. Vasconcellos	DD - ES	**1,550.00**

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110121416	11/1/21	*****9682	Nuno G Vieira	DD - ES	**4,350.00**
110121417	11/1/21	*****7391	Kim Uyen Minh Vu	DD - ES	**1,239.00**
110121418	11/1/21	*****2720	Stephen Cordell Wafer	DD - ES	**1,213.00**
110121419	11/1/21	*****6924	Lining Wan	DD - ES	**2,699.00**
110121420	11/1/21	*****6945	Wei Wang	DD - ES	**2,032.00**
110121421	11/1/21	*****1634	Yu Ruo Wang	DD - ES	**1,781.00**
110121422	11/1/21	*****7593	Ms. Brigitte Warren C/O Perry Realty Team	DD - ES	**2,583.00**
110121423	11/1/21	*****5502	Mildred Lucille Washington	DD - ES	**1,996.00**
110121425	11/1/21	*****4384	Wenying Chang	DD - ES	**3,422.00**
110121426	11/1/21	*****5295	Holly Wen	DD - ES	**651.00**
110121427	11/1/21	*****4908	Lewis White & Ruth White Elma Ruth White	DD - ES	**4,904.00**
110121428	11/1/21	*****6220	Fenny Wijayanti	DD - ES	**2,165.00**
110121429	11/1/21	*****7867	Ms Adrienne Wilson C/O Gabe Essoe	DD - ES	**1,951.00**
110121430	11/1/21	*****5057	Kathleen and John Wilson	DD - ES	**936.00**
110121431	11/1/21	*****8702	Kathy D. Williams	DD - ES	**2,207.00**
110121432	11/1/21	*****5480	Tasia La Vonda Williams	DD - ES	**2,800.00**
110121433	11/1/21	*****5026	Windeler Development Group, Inc.	DD - ES	**999.00**
110121434	11/1/21	*****1157	Har Pan Wong	DD - ES	**8,941.00**
110121435	11/1/21	*****6356	Joanne Wong	DD - ES	**1,702.00**
110121436	11/1/21	*****1060	Kinney Ming Wong	DD - ES	**508.00**
110121437	11/1/21	*****2784	Vincent Wong	DD - ES	**1,818.00**
110121438	11/1/21	*****3962	Hong Wu	DD - ES	**3,728.00**
110121439	11/1/21	*****3698	Zhang Jin Wu	DD - ES	**2,701.00**
110121440	11/1/21	*****2556	Drewcillia Wyatt	DD - ES	**3,942.00**
110121441	11/1/21	*****2651	Sheree Wynn	DD - ES	**2,219.00**
110121442	11/1/21	*****4644	Chao Xu	DD - ES	**2,940.00**
110121443	11/1/21	*****3880	Ping Ping Xu Keming Wang	DD - ES	**2,725.00**
110121444	11/1/21	*****5087	Zhou Xu	DD - ES	**2,853.00**
110121445	11/1/21	*****4383	Yifan Ye Mike Perry, Property Manager	DD - ES	**2,512.00**
110121446	11/1/21	*****6779	Sally Yip	DD - ES	**912.00**
110121447	11/1/21	*****6210	Yong Qiang Lu	DD - ES	**1,790.00**
110121448	11/1/21	*****6178	Chris Kui You	DD - ES	**2,407.00**
110121449	11/1/21	*****7622	Yee Yue Cheung	DD - ES	**1,295.00**
110121450	11/1/21	*****8664	Mohammad Zalmaiyar	DD - ES	**2,455.00**
110121451	11/1/21	*****8685	Feng Zhang	DD - ES	**2,726.00**
110121452	11/1/21	*****7638	Jielu Zhao	DD - ES	**1,412.00**
110121453	11/1/21	*****2407	Katherine Zhao	DD - ES	**2,721.00**

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110121454	11/1/21	*****2940	Wei Bin Zhang or Gao Wei	DD - ES	**1,966.00**
110121455	11/1/21	*****3259	Xirong Zhao	DD - ES	**1,939.00**
110121456	11/1/21	*****5640	Yan Zhang	DD - ES	**1,637.00**
110121457	11/1/21	*****4367	Xiang Yang Zheng	DD - ES	**1,899.00**
110121458	11/1/21	*****9263	Zhixing Li	DD - ES	**2,461.00**
110121459	11/1/21	*****3830	Joy Yi Zhou	DD - ES	**1,932.00**
110121460	11/1/21	*****7805	Shengguo Zhu	DD - ES	**5,365.00**
110121461	11/1/21	*****6132	Ying Zhu Ying Zhu	DD - ES	**5,224.00**
110121462	11/1/21	*****4651	Weijie Zhang	DD - ES	**1,333.00**

Housing Choice Voucher

HAP	1,504,741.68
UR	10,608.32
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	-806.72
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$1,514,543.28**

Check Summary

November 1, 2021

Check Number	Check Date	Payee Tax ID	Payee	Amount
VASH				
50230	11/1/21	*****8792	James E Phifer Jr.	**22.00**
50233	11/1/21	*****2062	John M Ferguson	**71.00**
50241	11/1/21	*****5735	Michael Wimmer	**122.00**
50249	11/1/21	*****7845	Troy Mills	**29.00**
50295	11/1/21	*****9543	Steven Williamson	**52.00**
50322	11/1/21	*****9325	JOW & AAW, LLC	**2,109.00**
50324	11/1/21	*****9326	Western Addition Apartments, LLC	**1,483.00**
50326	11/1/21	*****1636	Jimmy Bhatia	**1,172.00**
50328	11/1/21	*****2361	George Edward Cole	**1,267.00**
50342	11/1/21	*****2116	MSR Rental Properties, LLC C/O EEN Property Management	**1,700.00**
50347	11/1/21	*****5770	Ventana Rental Homes	**1,766.00**
50352	11/1/21	*****9507	Olga M. Disney	**1,354.00**
50354	11/1/21	*****7378	Marina Heights Apartments, LP	**3,272.00**
50355	11/1/21	*****7378	Marina Heights Apartments, LP	**3,187.00**

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50356	11/1/21	*****7378	Marina Heights Apartments, LP		**1,103.00**
110121011	11/1/21	*****4636	Felipe Amarante	DD - ES	**1,483.00**
110121022	11/1/21	*****3909	Ken Bartlett	DD - ES	**1,370.00**
110121027	11/1/21	*****7492	Adrienne Kelly Belton	DD - ES	**720.00**
110121036	11/1/21	*****7075	Som N Bhatia	DD - ES	**1,261.00**
110121049	11/1/21	*****8860	Joe Burns	DD - ES	**1,079.00**
110121050	11/1/21	*****2513	Clara Beatriz Cardenas	DD - ES	**1,677.00**
110121071	11/1/21	*****0746	Contra Costa County Housing Authority	DD - ES	**-1,125.14**
110121072	11/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**3,725.00**
110121073	11/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**5,789.00**
110121074	11/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**5,734.00**
110121075	11/1/21	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**1,173.00**
110121097	11/1/21	*****3406	Mercy Housing California XXXVIII East Leland Court Apartments	DD - ES	**600.00**
110121112	11/1/21	*****4032	Fox Creek Apartments	DD - ES	**789.00**
110121115	11/1/21	*****4432	FRR Investments LLC	DD - ES	**1,822.00**
110121126	11/1/21	*****5111	Gateway Apartments	DD - ES	**3,656.00**
110121145	11/1/21	*****5267	Abhilash Gupta	DD - ES	**1,729.00**
110121157	11/1/21	*****6728	David T. Hennigan	DD - ES	**-116.00**
110121224	11/1/21	*****3555	Yiping I. and Frederic Leroudier	DD - ES	**2,472.00**
110121228	11/1/21	*****3386	James J. Busby and Irvin Deutcher a Partnership DBA Crestview Apartments	DD - ES	**1,222.00**
110121235	11/1/21	*****1547	Paul Livson	DD - ES	**3,074.00**
110121248	11/1/21	*****1494	Xiangwen Lu	DD - ES	**3,545.00**
110121262	11/1/21	*****2242	James McDonald	DD - ES	**1,500.00**
110121300	11/1/21	*****9886	Northstar Financial Group, LLC	DD - ES	**1,604.00**
110121345	11/1/21	*****7228	Ramsey Horton	DD - ES	**1,685.00**
110121350	11/1/21	*****6703	Amerasia Real Estate Fund LLC	DD - ES	**1,662.00**
110121351	11/1/21	*****7083	Reliant - Woods Grove, LP	DD - ES	**2,684.00**
110121372	11/1/21	*****7396	Sierra Pacific Properties Inc Sierra Pacific Properties Inc	DD - ES	**4,039.00**
110121373	11/1/21	*****7789	Siena Court Apartments	DD - ES	**1,165.00**
110121374	11/1/21	*****7396	Sierra Pacific Properties Peppertree Apartments	DD - ES	**2,815.00**
110121375	11/1/21	*****7396	Sierra Pacific Properties Woodland Hills Apartments	DD - ES	**1,893.00**
110121387	11/1/21	*****3465	Ramzi D Srouji	DD - ES	**1,957.00**
110121390	11/1/21	*****0437	Suisun City Housing Authority	DD - ES	**1,420.44**
110121406	11/1/21	*****2094	Raphael Minhtuyen Tran	DD - ES	**1,713.00**

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110121424	11/1/21	*****4563	Isidoro Weitzman	DD - ES	**1,957.00**
110121427	11/1/21	*****4908	Lewis White & Ruth White Elma Ruth White	DD - ES	**1,294.00**

VASH

HAP	87,166.44
UR	296.00
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	313.86
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$87,776.30**

Grand Total

HAP	1,591,908.12
UR	10,904.32
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	-492.86
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$1,602,319.58**

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Check Summary

November 15, 2021

	Check Number	Check Date	Payee Tax ID	Payee		Amount
Housing Choice Voucher						
*	50357	11/15/21	*****3817	Tameka T Thomas		**277.00**
	50358	11/15/21	*****8240	Vanna L Warga		**215.00**
	50359	11/15/21	*****0912	Nicolas A Wagnon		**36.00**
	50360	11/15/21	*****9937	Lisa F Jackson		**265.00**
	50361	11/15/21	*****6825	A Classey Corp. DBA: ACL Property Management		**717.00**
	50362	11/15/21	*****3302	Susana Paduro-Silva		**2,568.00**
	50363	11/15/21	*****7378	Marina Heights Apartments, LP		**876.00**
*	111521001	11/15/21	*****5708	David Elmer Cortesi	DD - ES	**218.00**
	111521002	11/15/21	*****3566	Mahavir Gill Mahavir S Gill Sr	DD - ES	**181.00**
	111521003	11/15/21	*****6728	David T. Hennigan	DD - ES	**776.00**
	111521004	11/15/21	*****4732	Latif, LLC	DD - ES	**1,409.00**
	111521005	11/15/21	*****0772	Hassan Mirabedi	DD - ES	**1,998.00**
	111521006	11/15/21	*****4885	Momin Raees	DD - ES	**1,558.00**
	111521007	11/15/21	*****9139	Olubukola Amoke Oyebade	DD - ES	**2,517.00**
	111521008	11/15/21	*****3239	Veritel Homes LLC	DD - ES	**1,583.00**
	111521009	11/15/21	*****5310	Azell Vickers	DD - ES	**3,844.00**

Housing Choice Voucher	HAP	18,245.00
	UR	793.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	0.00
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	**$19,038.00**

Check Summary

November 15, 2021

	Check Number	Check Date	Payee Tax ID	Payee	Amount
VASH					

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111521003	11/15/21	*****6728	David T. Hennigan	DD - ES	**3,386.00**

VASH	HAP	3,386.00
	UR	0.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	0.00
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	**$3,386.00**

Grand Total

	HAP	21,631.00
	UR	793.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	0.00
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	**$22,424.00**

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OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a Housing Authority Resolution Approving the 2022 Utility Allowance Schedule

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

The U S Department of Housing and Urban Development (HUD) requires housing authorities to review allowances for tenant-furnished utilities and other services annually and determine a utility allowance schedule (Schedule). Pursuant to 24 CFR 982.517 (4)(c), this Schedule must be revised whenever there is an increase of ten percent (10%) or more in the utility rates since the last revision of the Schedule. The Housing Authority of Pittsburg (Housing Authority) has revised the Utility Allowance Schedule for 2022 (the "2022 UA Schedule") to reflect a ten percent (10%) increase in utility rate costs.

FISCAL IMPACT

Because total assistance benefiting Section 8 participants consisting of both rent and utilities cannot exceed a threshold determined by the size and income of a family, an increase in utility allowance may result in a decrease in rental assistance in order to stay under a specified threshold.

Such increase in utility allowance, however, has no fiscal impact to the City's General Fund. Assistance benefiting Section 8 participants are derived from a federally funded program by HUD.

RECOMMENDATION

Housing Authority adopt this Resolution approving of the 2022 Schedule reflecting the revisions to the utility rates.

BACKGROUND

Utility allowances are intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on the individual family's actual energy consumption and do not include non-essential utility costs, such as cable, satellite television or phone expenses.

The Housing Authority contracted with a vendor, the Nelrod Company, to review the utility allowance data for the Section 8 Housing Choice Voucher Program and complete the study and analysis. This study reflects the 2021 baseline charges published by Pacific Gas & Electric Company, the City of Pittsburg Water Department, and Mt. Diablo Resource Recovery.

The analysis of these results demonstrates at least a ten percent (10%) differential from the prior year, requiring revisions to the utility allowances.

SUBCOMMITTEE FINDINGS

The 2022 UA Schedule was not discussed in a subcommittee.

STAFF ANALYSIS

As a ten percent (10%) differential has been demonstrated, in compliance with federal regulations, the Housing Authority staff recommends revising its utility allowances for 2022.

ATTACHMENTS: Single Family Utility Analysis
Multi-family Utility Analysis
Resolution

Report Prepared By: Bruce Smargiasso, Housing Manager

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval
No. 25577-0169
exp.7/31/2022

The following allowances are used to determine the total cost of tenant-furished utilities and appliances.

Date (mm/dd/yyyy): **04/01/2022**

Locality:
Housing Authority of the City of Pittsburg, CA

Unit Type: **Single-Family (Detached House)**

Utility or Service:	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
	Monthly Dollar Allowances					
Heating						
a. Natural Gas ***(includes climate credit)***	$29.00	$35.00	$40.00	$43.00	$47.00	$52.00
b. Bottle Gas/Propane						
c. Electric	$33.00	$39.00	$45.00	$50.00	$56.00	$62.00
d. Electric Heat Pump	$20.00	$23.00	$27.00	$31.00	$34.00	$38.00
e. Oil						
Cooking						
a. Natural Gas	$5.00	$5.00	$8.00	$9.00	$12.00	$14.00
b. Bottle Gas/Propane						
c. Electric	$7.00	$8.00	$12.00	$15.00	$19.00	$23.00
Other Electric & Cooling						
Other Electric (Lights & Appliances) ***(includes climate credit)***	$36.00	$42.00	$60.00	$80.00	$103.00	$125.00
Air Conditioning	$5.00	$5.00	$12.00	$19.00	$26.00	$33.00
Water Heating						
a. Natural Gas	$12.00	$14.00	$20.00	$26.00	$32.00	$39.00
b. Bottle Gas/Propane						
c. Electric	$20.00	$24.00	$30.00	$37.00	$43.00	$50.00
d. Oil						
Water, Sewer, Trash Collection						
Water	$46.00	$47.00	$56.00	$65.00	$73.00	$82.00
Sewer	$16.00	$16.00	$16.00	$16.00	$16.00	$16.00
Trash Collection	$45.00	$45.00	$45.00	$45.00	$45.00	$45.00
Tenant-supplied Appliances						
Range / Microwave Tenant-supplied	$11.00	$11.00	$11.00	$11.00	$11.00	$11.00
Refrigerator Tenant-supplied	$12.00	$12.00	$12.00	$12.00	$12.00	$12.00
Other--specify: Monthly Charges						

Actual Family Allowances

To be used by the family to compute allowance. *Complete below for the actual unit rented.*

Name of Family

Address of Unit

Number of Bedrooms

Utility or Service	per month cost
Heating	$
Cooking	$
Other Electric	$
Air Conditioning	$
Water Heating	$
Water	$
Sewer	$
Trash Collection	$
Range / Microwave	$
Refrigerator	$
Other	$
Other	$
Total	$

Seal of Certified Compliance 2021

adapted from form HUD-52667
(7/2019)

The Nelrod Company 10/2021 Initial

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval
No. 25577-0169
exp.7/31/2022

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Date (mm/dd/yyyy): **04/01/2022**

Locality:
Housing Authority of the City of Pittsburg, CA

Unit Type: **Multi-Family (Apartment/Row House/Townhouse/Semi-Detached/Duplex)**

Utility or Service:	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
	Monthly Dollar Allowances					
Heating						
a. Natural Gas ***(includes climate credit)***	$20.00	$24.00	$27.00	$30.00	$33.00	$35.00
b. Bottle Gas/Propane						
c. Electric	$16.00	$19.00	$24.00	$29.00	$34.00	$39.00
d. Electric Heat Pump	$14.00	$16.00	$19.00	$22.00	$24.00	$26.00
e. Oil						
Cooking						
a. Natural Gas	$5.00	$5.00	$8.00	$9.00	$12.00	$14.00
b. Bottle Gas/Propane						
c. Electric	$7.00	$8.00	$12.00	$15.00	$19.00	$23.00
Other Electric & Cooling						
Other Electric (Lights & Appliances) ***(includes climate credit)***	$23.00	$28.00	$40.00	$52.00	$64.00	$78.00
Air Conditioning	$6.00	$7.00	$10.00	$13.00	$15.00	$18.00
Water Heating						
a. Natural Gas	$9.00	$11.00	$15.00	$20.00	$26.00	$31.00
b. Bottle Gas/Propane						
c. Electric	$16.00	$19.00	$24.00	$30.00	$35.00	$40.00
d. Oil						
Water, Sewer, Trash Collection						
Water	$46.00	$47.00	$56.00	$65.00	$73.00	$82.00
Sewer	$14.00	$14.00	$14.00	$14.00	$14.00	$14.00
Trash Collection	$45.00	$45.00	$45.00	$45.00	$45.00	$45.00
Tenant-supplied Appliances						
Range / Microwave Tenant-supplied	$11.00	$11.00	$11.00	$11.00	$11.00	$11.00
Refrigerator Tenant-supplied	$12.00	$12.00	$12.00	$12.00	$12.00	$12.00
Other--specify: Monthly Charges						

Actual Family Allowances

To be used by the family to compute allowance. *Complete below for the actual unit rented.*

Name of Family

Address of Unit

Number of Bedrooms

Utility or Service	per month cost
Heating	$
Cooking	$
Other Electric	$
Air Conditioning	$
Water Heating	$
Water	$
Sewer	$
Trash Collection	$
Range / Microwave	$
Refrigerator	$
Other	$
Other	$
Total	$

Seal of Certified Compliance® 2021

adapted from form HUD-52667
(7/2019)

BEFORE THE GOVERNING BOARD OF THE HOUSING AUTHORITY
OF THE CITY OF PITTSBURG

In the Matter of:

Approving the 2022 Utility Allowance Schedule) RESOLUTION NO. 22-

WHEREAS, the US Department of Housing and Urban Development (HUD) requires housing authorities to review allowances for tenant-furnished utilities and other services annually and determine a utility allowance schedule (Schedule), and

WHEREAS, pursuant to federal regulation, the Schedule must be revised whenever there is an increase of ten percent or more in the utility rates since the last revision of the Schedule; and

WHEREAS, the Housing Authority of the City of Pittsburg (Housing Authority) reviewed the utility allowance data for the Section 8 Housing Choice Voucher Program, including the new baseline charges published by Pacific Gas & Electric Company, the City of Pittsburg Water Department, and Mt. Diablo Resource Recovery.

NOW, THEREFORE BE IT RESOLVED that the Governing Board of the Housing Authority of the City of Pittsburg hereby adopts this Resolution, approving the Utility Allowance Schedule for 2022, and directs staff to make it available for review at the Housing Authority, located at 916 Cumberland Street, Pittsburg, CA 94565, and on the City's website.

PASSED AND ADOPTED by the Housing Authority of the City of Pittsburg at a regular meeting on the 18th day of January 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Chair

ATTEST:

_____
Alice E. Evenson, Agency Secretary

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of a City Council Resolution Approving the City of Pittsburg Economic Development Strategic Plan

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

In March 2020, the City embarked on development of an Economic Development Strategic Plan ("Plan") intended to guide the goals, actions, and priorities of the Economic Development Division. The Plan is being brought before the City Council for adoption.

FISCAL IMPACT

There is no fiscal impact from acceptance of the Plan. It should be noted that the policies and actions contained within the Plan may have fiscal impacts, which have been roughly estimated to indicate the anticipated cost for implementation; however, acceptance of the Plan does not authorize the implementation of any specific actions.

RECOMMENDATION

City Council move to adopt a resolution adopting the City of Pittsburg Economic Development Strategic Plan.

BACKGROUND

In 1996, the City adopted its Economic Vitality Strategy, which analyzed the business and retail climates, and identified target industries. For the past 25 years, this strategy has helped to guide economic development activities within the City.

In January 2019, the City Council held its annual Goals Workshop, at which time the concept of economic development in general was highlighted as a critical goal of the City Council, and more specifically, the desire to help existing businesses in Pittsburg thrive, while also making the City an attractive option for employers that would bring new jobs and revenue.

As previously mentioned, during the March 2, 2020, Economic Development/Waterfront Subcommittee discussion of goals, the Subcommittee requested staff prepare a plan to help guide economic development activities over the next several years. At the request of the Subcommittee, staff prepared a draft plan, initially intended to be presented to the Subcommittee at the March 16, 2020, meeting; however, due to the onset of the COVID-19 pandemic during this time, this meeting was cancelled, and work on the plan was temporarily halted.

Upon reconvening the Economic Development/Waterfront Subcommittee, and in light of the significant changes brought on by COVID-19, staff has worked with the Subcommittee over the course of the pandemic to refine the Plan. During this time and as part of the development of the Plan, the Subcommittee has held a series of roundtable discussions to gather feedback on the needs of the business community, youth in Pittsburg, and the future of industrial and commercial land development. Speakers have included representatives from Saint Mary's College, Los Medanos College, Pittsburg Unified School District, Industrial and Commercial Land Brokers, students from UC Berkeley, and the Pittsburg Chamber of Commerce. Staff has also held multiple discussions with Subcommittee members to review and refine the strategies contained within the Plan.

On October 18, 2021, the draft Plan was released for a 30-day public review intended to allow the community to provide feedback on the draft Plan.

Environmental: Adoption of the proposed Economic Development Strategic Plan is exempt from the requirements of the California Environmental Quality Act under the general rule of applicability of the state CEQA Guidelines, section 15061, in that there is no possibility adoption of the Plan would have a significant negative physical impact on the environment, as this action would not approve or initiate any specific development projects.

SUBCOMMITTEE FINDINGS

As mentioned above, the creation of the Economic Development Strategic Plan was initiated by, and the draft Plan was brought before, the Economic Development/Waterfront Subcommittee multiple times since March 2020. The Plan itself anticipates the Subcommittee will periodically review the implementation of the Plan.

STAFF ANALYSIS

The Plan establishes goals, strategies, investment priorities, and implementation actions for the next several years, and are designed to address the City's economic development vision and mission: to expand the local economy in a diverse and self-sustaining way that serves to improve the lives of all residents.

To do this, the Plan seeks to support its existing businesses, while also attracting innovative and creative industries that will lead Pittsburg into the future and strengthen its position within the region and state for attracting jobs. The City also recognizes that long-term, sustainable economic development requires a holistic approach that goes beyond employment numbers, but also provides a safe and attractive community, with a variety of housing options, reliable and effective infrastructure, and recreational amenities, among other things. Paramount in this effort is collaboration among City staff, business owners and operators, employees, regional groups, Contra Costa County, the Pittsburg Chamber of Commerce, and other groups that seek to enhance local business opportunities.

The Plan identifies target industries, or specific business sectors that are in growing demand and anticipated to continue to grow and be sustainable well into the 21st Century. These target sectors include those that support or could be supported by existing clusters and that provide skilled jobs, opportunities to scale-up the workforce, and a living-wage. The Plan also identifies assets and opportunities that uniquely position Pittsburg to house industrial users and startup businesses, such as proximity to Silicon Valley, relative affordability, and location of underutilized industrial areas near State Route 4, public transit, and a variety of housing options.

The objectives and policies set forth within the Plan outline the numerous ways Pittsburg seeks to reach the economic development goals of the City. While the strategies of the Plan are intended to be complementary, and seek to address the many facets that lead to sustainable and impactful economic development within a community, it is not likely that all of the strategies herein will commence simultaneously. In reality, certain implementation strategies must be prioritized for reasons such as budget or funding constraints; staffing levels; public safety needs; quality of life improvements; long-range planning efforts; and most importantly, the evolving needs of the business community. The City Council may look to prioritize activities generally, while highlighting certain policies that support that priority, in order to allow development of cohesive and properly implemented. The City Council may, as appropriate, establish metrics for helping to determine implementation success. These metrics may include, but are not limited to, project or program milestones to guide implementation, cost-benefit assessments, or goals for the number and types of businesses to support, employees to hire, etc. Metrics are intended to be established during prioritization or project funding to help ensure they are commensurate with funding allocations and project scope(s).

An important note is that the objectives contained within the Plan are intended to be fluid, and staff anticipates minor modifications as the Plan is implemented in order to adjust to the constantly evolving business climate. Each set of implementation strategies have been assigned a rating based on the expected time and cost(s) associated with implementation. While these estimates do not have specific dollar or time amounts associated with each level shown within the scaled bars, they provide staff and the community with a gauge as to determine the relative amount of investment associated with each strategy.

Finally, staffing also plays an important role in the implementation of these measures. Ensuring adequate Economic Development, Planning, and Code Enforcement staff will be critical in ensuring the successful implementation of this plan.

ATTACHMENTS:

1. Resolution
2. Economic Development Strategic Plan

Report Prepared By: Jordan Davis, Director of Community and Economic Development

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Adopting the City of Pittsburg Economic Development Strategic Plan	)))	RESOLUTION NO. 22-_____

WHEREAS, in 1996, the City adopted its Economic Vitality Strategy, which analyzed the business and retail climates, and identified target industries. For the past 25 years, this strategy has helped to guide economic development activities within the City; and

WHEREAS, in January 2019, the City Council held its annual Goals Workshop, at which time the concept of economic development in general was highlighted as a critical goal of the City Council, and more specifically, the desire to help existing businesses in Pittsburg thrive, while also making the City an attractive option for employers that would bring new jobs and revenue; and

WHEREAS, during the March 2, 2020, Economic Development/Waterfront Subcommittee discussion of goals, the Subcommittee requested staff prepare an Economic Development Strategic Plan ("Plan") to help guide economic development activities over the next several years; and

WHEREAS, at the request of the Subcommittee, staff prepared a draft Plan, initially intended to be presented to the Subcommittee at the March 16, 2020, meeting; however, due to the onset of the COVID-19 pandemic during this time, this meeting was cancelled, and work on the plan was temporarily halted; and

WHEREAS, upon reconvening the Economic Development/Waterfront Subcommittee, and in light of the significant changes brought on by COVID-19, staff has worked with the Subcommittee over the course of the pandemic to refine the Plan. During this time and as part of the development of the Plan, the Subcommittee has held a series of roundtable discussions to gather feedback on the needs of the business community, youth in Pittsburg, and the future of industrial and commercial land development. Speakers have included representatives from Saint Mary's College, Los Medanos College, Pittsburg Unified School District, Industrial and Commercial Land Brokers, students from UC Berkeley, and the Pittsburg Chamber of Commerce. Staff has also held multiple discussions with Subcommittee members to review and refine the strategies contained within the Plan; and

WHEREAS, the Plan establishes goals, strategies, investment priorities, and implementation actions for the next several years, and are designed to address the City's economic development vision and mission: to expand the local economy in a diverse and self-sustaining way that serves to improve the lives of all residents; and

WHEREAS, the Plan seeks to support its existing businesses, while also attracting innovative and creative industries that will lead Pittsburg into the future and strengthen its position within the region and state for attracting jobs. The City also recognizes that long-

term, sustainable economic development requires a holistic approach that goes beyond employment numbers, but also provides a safe and attractive community, with a variety of housing options, reliable and effective infrastructure, and recreational amenities, among other things; and

WHEREAS, paramount in this effort is collaboration among City staff, business owners and operators, employees, regional groups, Contra Costa County, the Pittsburg Chamber of Commerce, and other groups that seek to enhance local business opportunities; and

WHEREAS, on October 18, 2021, the draft Plan was released for a 30-day public review intended to allow the community to provide feedback on the draft Plan; and

WHEREAS, adoption of the proposed Economic Development Strategic Plan is exempt from the requirements of the California Environmental Quality Act under the general rule of applicability of the state CEQA Guidelines, section 15061, in that there is no possibility adoption of the Plan would have a significant negative physical impact on the environment, as this action would not approve or initiate any specific development projects; and

WHEREAS, the Plan itself anticipates the Subcommittee will periodically review the implementation of the Plan; and

WHEREAS, on January 18, 2022, the City Council held a public meeting to consider adoption of the City of Pittsburg Economic Development Strategic Plan.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Pittsburg hereby adopts the City of Pittsburg Economic Development Strategic Plan.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of January 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk



City of Pittsburg

Economic Development Strategic Plan

January 2022

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Acknowledgements

City Council

Holland Barrett White, Mayor *(Economic Development Subcommittee)*

Shanelle Scales-Preston, Vice Mayor

Juan Antonio Banales

Jelani Killings *(Economic Development Subcommittee)*

Merl Craft, Mayor

City Manager

Garrett Evans

Deputy City Manager

Maria Aliotti

Jill Hecht (Ret.)

City Attorney

Donna Mooney

City Staff

Jordan Davis, Director of Community and Economic Development

Kolette Simonton, Assistant Director of Recreation and Economic Development

Sara Bellafronte, Senior Administrative Analyst

Kiersten Seabrook, Intern

Julia Perry, Intern

Consultants

Randy Starbuck, A2B Consulting

De Novo Planning Group (Economic Trends Report prepared as part of General Plan Update)

Alison Fu and Michael Fogarasi, UC Berkeley Haas School of Business

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Executive Summary

Pittsburg's rich history as an industrial leader dates back as far the City itself. Founded in the mid-1800s on the success of local fishing and canning industries, the City eventually transitioned to a mining town in the latter half of the 19th century. In 1906, Columbia Geneva Steel opened for business, followed soon thereafter by the Great Western Electrochemical Company in 1919, which would eventually be purchased by the Dow Chemical Company in 1939. In 1942, the U.S. Army completed construction of Camp Stoneman, which would prove to have a significant impact on the City and its growth; in 1954, the Camp was closed, and the property was added to the City of Pittsburg for commercial and residential development. The City's population began to grow rapidly at this time, and with approval of the Federal Aid Highway Act of 1956, residents of the City and larger Bay Area region became increasingly mobile, eventually allowing the growing number of workers in Pittsburg to commute to job centers to the west.

Today, the City is home to over 74,000 residents, including nearly 35,000 employed residents; by the year 2040, the City's population is projected to grow to over 100,000, and the number of employed residents is expected to grow to nearly 40,000. According to 2015 data, out of all employed Pittsburg residents, 2,598 work within Pittsburg and 25,183 work outside the City, with an additional 11,640 jobs attracting outside residents. While the number of jobs in Pittsburg is expected to increase to 15,615 by 2040, this highlights the continued expectation that the majority of residents will seek employment outside of the City.

Though large employers are often celebrated, Pittsburg's economic base consists primarily of firms with less than 100 employees, as opposed to large corporate users. Compared to the region and the State, the City's retail trade, government, and manufacturing sectors are generally stronger, while the transportation, services, and finance, insurance, and real estate sectors are weaker. The office and retail real estate markets have experienced low vacancy rates and rising rents for the last several years; however, inventory remains low, and the City is perceived as struggling to sustain its existing commercial and industrial businesses. As indicated in the Economic Trends Report prepared in 2019, stakeholders identified constraints associated with the City's zoning code, including requirements for a conditional use permit for uses that are assumed to be allowed in a zone, the need for changes to promote the types of development that the City desires, and the need for flexibility to maximize opportunities. The good news: Pittsburg will become increasingly attractive for start-up and e-commerce businesses due to increases in rental rates throughout Silicon Valley. It is vital the City be prepared to support the expected demand for smaller industrial and commercial spaces in the 2,000 to 8,000 square foot range, with infrastructure that supports these emerging sectors, such as fiberoptic connectivity.

Throughout the past 150 years, Pittsburg has demonstrated its ability to adjust to the unavoidable changes to its economic base that have resulted from a growing population, increased regulation, increased foreign competition, and rapidly evolving technologies, all while continuing to make strong efforts to support the business community. The City is also home to a variety of thriving businesses that can support a self-sustaining commercial ecosystem. Though challenges exist, the City is well positioned to continue to support and attract businesses that will provide local jobs for residents and support the City's tax base.

Pittsburg is a City with a long history of successful and innovative industrial users. Going back as far as the days when Pittsburg was a fishing town, it was the canning and processing facilities that helped put us on the map. Later on and up through today, its major industrial users like UPI, Corteva (which used to be Dow), and CEMEX that play a major part in Pittsburg's identity.

In recent years, the City has been successful in attracting new firms such as Bombardier Inc., which will manufacture BART's "Fleet of the Future" cars in Pittsburg, BBO Poker Tables, which manufactures high-end custom poker tables for casinos in Las Vegas and Reno, Cibus Lighting, which is making strides in the research and development of lighting that supports indoor agriculture, and Purpleline USA, which has reimagined how a modern camper functions. The City has seen commercial developments continue to thrive as well, with a brand-new hotel located near the Pittsburg Center BART Station, and a possible multi-story office building nearby. Staff also continues to work with private developers to redevelop over 100 acres of City-owned property as a regional technology park, which will bring high-paying permanent jobs, as well as numerous construction jobs, to the City, and further the footprint of the Pittsburg Power Company (PPC). The City has also commenced a partnership with SiFi Networks, which intends to install fiberoptic communication infrastructure citywide.

The City of Pittsburg is also unique in its support for our industrial users and partners. The City is choosing to lean into its industrial roots, and make Pittsburg one of the communities recognizing the importance of industry in moving our economy forward. To this end, the City is working to support green energy development and technologies, recognizing there are numerous to bring more renewable energy technology and innovative businesses that actually use the byproducts of our industrial users to make products that reduce pollution. Companies such as Blue Planet that operating a pilot project utilizing gasification to recycle concrete and reduce the carbon footprint of construction activities can become a starting point for green technology and eco-hubs within our industrial areas.

As described by Gurbax Sahota, President and CEO of the California Association of Local Economic Development (CALED), there are two types of economic development activities: traditional activities, which include efforts to retain, expand, and attract business; and technical activities, which include efforts to provide opportunities by preparing land and regulations to help businesses thrive. The City will be served best by addressing both types of activities.

This Economic Development Strategic Implementation Plan ("Plan") establishes goals, strategies, investment priorities, and implementation actions for the next several years, and are designed to address the City's economic development vision and mission: to expand the local economy in a diverse and self-sustaining way that serves to improve the lives of all residents.

To do this, the City seeks to support its existing businesses, while also attracting innovative and creative industries that will lead Pittsburg into the future and strengthen its position within the region and state for attracting jobs. The City also recognizes that long-term, sustainable economic development requires a holistic approach that goes beyond employment numbers, but also provides a safe and attractive community, with a variety of housing options, reliable and effective infrastructure, and recreational amenities, among other things. Paramount in this effort is collaboration among City staff, business owners and operators, employees, regional groups, Contra Costa County, the Pittsburg Chamber of Commerce, and other groups that seek to enhance local business opportunities.

City Goals

Each year, the City Council adopts Citywide goals for each City Department and Division, as well as overarching goals intended to drive the City forward.

Citywide goals include:

- Prioritize public safety, health, and welfare in the City Budget and when reviewing projects.
- Improve public facilities and infrastructure and increase beautification of City maintained areas.
- Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses.
- Increase efficiency of City operations and services through technology and streamlined processes.
- Improve the quality of life for all Pittsburg residents.

Goals specific to the Economic Development Department include:

ED-1 Develop an Economic Development Plan to guide the City for the next 5-10 years.

ED-2 Foster a business climate that is competitive with other cities in the region while supporting existing businesses and attracting new businesses.

ED-3 Identify trends in employment needs and skill development in order to scale up workforce and prepare residents for job opportunities.

ED-4 Identify strategies for bringing additional commercial and job opportunities to underutilized areas of the City.

Each Economic Development goal noted above is accompanied by multiple implementation strategies intended to identify shorter-term measures that will help the City meet its objectives. These goals and implementation strategies represent the basis for the Strategic Plan goals within this document. As the Citywide and department-wide goals are amended, the Strategic Plan may be revisited and modified as appropriate. It is anticipated that there will be significant crossover between the implementation strategies contained within the goals document and those contained within this plan.

Identified Target Industries

Pursuant to Goal ED-1, the City has identified specific business sectors that are in growing demand and anticipated to continue to grow and be sustainable well into the 21st Century. These target sectors include those that support or could be supported by existing clusters and that provide skilled jobs, opportunities to scale-up the workforce, and a living-wage. These include:

- Green energy
- Autonomous technology
- Advanced manufacturing

- Food production/distribution
- Food Tech
- Logistics (2nd/3rd/4th tier suppliers)
- Sports tourism

Assets and Opportunities

The City is uniquely positioned to house industrial users and startup businesses; its proximity to Silicon Valley, relative affordability, and location of underutilized industrial areas near State Route 4, public transit, and a variety of housing options will allow the City to attract users looking to expand operations or own their sites, which may in turn induce further investment in infrastructure and personnel. Assets and opportunities noted below will be important in moving the proposed Plan forward.

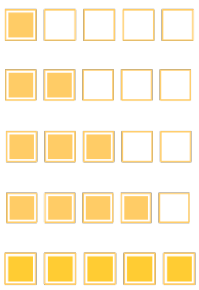
- Pittsburg Power Company (PPC)
- Waterfront and Trust Lands Plan
- BART Stations / proximity to job centers
- Infrastructure (including fiber installation)
- Neighboring businesses (within City and Region)
- Availability and cost of land
- LMC Partnership
- Future recreation center

Plan Implementation & Objectives

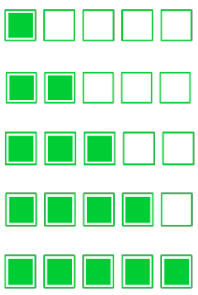
This Plan is a result of feedback received by staff at City Council goal workshops held January each year, the Economic Development Subcommittee, local businesses, and reports commissioned over the past year. The following objectives will frame the City's actions going forward and will establish strategies for reaching the identified outcomes, help provide milestones for Plan implementation, and a gauge to help measure success. Implementation Strategies may include action steps that further break down tasks. This working document will direct the collective efforts of the City and its partners, as applicable.

The objectives contained herein are intended to be fluid, and staff anticipates minor modifications as the Plan is implemented in order to adjust to the constantly evolving business climate. Each set of implementation strategies have been assigned a rating based on the expected time and cost(s) associated with implementation. While these estimates do not have specific dollar or time amounts associated with each level shown within the scaled bars, they provide staff and the community with a gauge as to determine the relative amount of investment associated with each strategy.

Time:



Funding:



It should be noted that the estimated cost(s) and time required may be adjusted based on City Council direction, available funding, or staffing levels.

Prioritization and Metrics

The objectives and policies set forth within this Plan outline the numerous ways Pittsburg seeks to reach the economic development goals of the City. While the strategies of the Plan are intended to be complementary, and seek to address the many facets that lead to sustainable and impactful economic development within a community, it is not likely that all of the strategies herein will commence simultaneously. In reality, certain implementation strategies must be prioritized for reasons such as budget or funding constraints; staffing levels; public safety needs; quality of life improvements; long-range planning efforts; and most importantly, the evolving needs of the business community. Further, several polices may be subject to or more successful if implemented after other policies.

As such, the periodic review and prioritization of the policies and actions of this Plan by the City Council and Economic Development Subcommittee is critical. Opportunities to review the polices and establish

implementation priorities include the annual City Council goal setting workshop and subsequent goal adoption, during annual budget adoption, and when reviewing or approving economic development projects, such as requests for funding, consultant contracts, or major development projects. The City Council may also revisit and adjust prioritization when large, one-time funding opportunities are made available, such as grants, Federal and/or State assistance, budget surpluses, or other funding.

The City Council may look to prioritize activities generally, while highlighting certain policies that support that priority, in order to allow development of cohesive and properly implemented. The City Council may choose to revisit the prioritization of projects or programs at any time, and should look to the Economic Development Subcommittee to help guide the implementation of any priority project or program.

Further, the City Council may, as appropriate, establish metrics for helping to determine implementation success. These metrics may include, but are not limited to, project or program milestones to guide implementation, cost-benefit assessments, or goals for the number and types of businesses to support, employees to hire, etc. Metrics are intended to be established during prioritization or project funding to help ensure they are commensurate with funding allocations and project scope(s).

Funding and Staffing

Funding for implementation of certain objectives will likely result from Measure M funds, paid to the City through a 1/2-cent sales tax approved by the voters of Pittsburg, in place through 2035. Additional funding may be received through one-time funds such as American Rescue Plan Act (ARPA) funding, Economic Development Administration (EDA) grants, or ongoing tax revenues.

Staffing also plays an important role in the implementation of these measures. Ensuring adequate Economic Development, Planning, and Code Enforcement staff will be critical in ensuring the successful implementation of this plan.

Related Planning Efforts

The City is cognizant of related planning efforts, as well as funding mechanisms, both locally and at the federal, state, and regional levels, and intends for this document to be complementary to these plans, including but not limited to:

- Envision Pittsburg 2040 (the City's comprehensive general plan update);
- Pittsburg Moves (the City's active transportation plan);
- Pittsburg Housing Element;
- Railroad Avenue Specific Plan (RASP);
- City of Pittsburg Trust Land Use Plan (TLUP);
- City of Pittsburg Business Improvement District (BID);
- City of Pittsburg Five-Year Capital Improvement Program;
- Northern Waterfront Economic Development Initiative; and
- Revitalization plans through brownfield remediation grants.

Business Spotlight:

Ramar Foods Intl.

Founded in 1969, Ramar Foods is a family-owned company whose goal is to bring the flavors of the Philippines to households around the world. Headquartered in Pittsburg, Ramar Foods has become one of the largest Filipino food in the United States, with products sold in nearly a dozen different countries across four continents.

From humble beginnings as a mom-and-pop manufacturing and distribution company, Ramar now employs over 300 people, making it one of the largest employers in Pittsburg – and Ramar is growing, with a recent expansion that will increase employment and production, all here in Pittsburg.

The brand attributes its success to its over 50 years of experience in the industry, deep relationship with the Filipino diaspora, and a high level of consumer research that brings satisfaction to Filipino families. Ramar's vision is to be the premier Filipino food company in the world, and one that helps bring nostalgia to Filipino households, while providing a snapshot of the Filipino experience to non-Filipinos all over the world.

Continuously being family owned, Ramar is committed to globalizing its passion for Filipino food products through excellent service and innovative products that connect and create value for its employees, partners, and community. It is this emphasis on community that has helped Ramar grow into the globally recognized brand it is today, with distribution centers in Hawaii and Los Angeles.

"Bayanihan" is a Tagalog word meaning "being in a bayan," and refers to a fundamental aspect of Filipino culture: working together as a community to achieve a common goal.

Today, Ramar is operated by the Quesada siblings, grandchildren of Ramon and Maria Quesada, who founded the operation. "When we grow, we can grow our people, and when we grow our people, then we are helping families and we are helping communities grow," says Susie Quesada, President of Ramar Foods.

Along with manufacturing a little piece of home for the Filipino diaspora around the world, Ramar is also leading the charge on "greening" their operations to be more environmentally friendly. Says PJ Quesada, VP of Operations in Ramar Foods, "In today's world, clean energy is not only a smart investment, but truly necessary for the next generation. Everything is for the future."



Above: Entry sign to John Buckley Square in Downtown Pittsburg.

Business Retention & Support

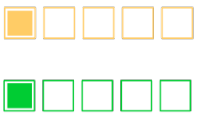
ONE Foster a business climate that is competitive by prioritizing support for existing businesses.

1.1 **Hold 1-on-1 meetings with existing businesses to Identify and address issues affecting business operations, such as employee recruitment, training, and small business financing.**

1.1.1 Solicit feedback on needs of employers.

1.1.2 Identify assistance programs and resources, particularly financial, that allow for existing small businesses and startups to grow.

1.2 **Partner with educational institutions, local business advocates such as the Pittsburg Chamber of Commerce, regional advocacy groups, and local businesses to identify target skills and education needs.**



1.2.1 Connect businesses to training and employment resources, such as Los Medanos College and the County Workforce Development Board.

1.2.2 Explore potential links between businesses, LMC, and other educational institutions for curriculum and internships that support the needs of local industries.

1.2.3 Work with agencies such as GO-Biz and the Small Business Administration (SBA) to provide information on tax credit programs and local participating lending institutions.

1.2.4 Identify opportunities for small business training and joint advertising in conjunction with agencies including but not limited to the Pittsburg Chamber of Commerce and other business groups.

1.3 **Develop pilot programs that support the improvement and scaling of established businesses.**



1.3.1 Focus on helping businesses adapt to changing consumer patterns, technology and social media, and employment growth.

1.3.2 Programs should result in the development of toolkits that can be adapted and provided to additional or future businesses or incorporated as best practices for City staff when providing help to businesses.

1.4 **Identify ways to support growing businesses and entrepreneurs conducting business within the evolving technological and increasingly service-oriented business landscape.**



1.4.1 Explore opportunities to establish a shared workspace that support makers and sellers by providing meeting areas, equipment for business services, and shipping or exchange services for home-based businesses. This space may be run by a private or quasi-public entity or non-profit that provides mentoring services for clients. This space may also double as a training or adult education facility.

1.4.2 Provide information to small business on opportunities for bidding on local, regional, state and federal government contracts.

1.4.3 Explore services that allow businesses to buy or sell online that focus on a local business ecosystem.

1.5 **Support COVID recovery. As a result of the COVID-19 pandemic, many existing businesses will be reevaluating their operations and planning for future force majeure events that may have similar impacts.**

1.5.1 Establish a COVID-19 recovery team to analyze barriers that may prevent businesses from pivoting.

1.5.2 Encourage remote work and land use patterns that allow more adaptive use of existing spaces.

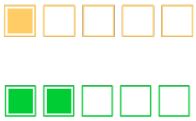
1.5.3 Create a webpage with an online "toolkit" for businesses.



Above: Bud Wisecarver welds in original Bishop-Wisecarver manufacturing facility. (photo: bwc.com)

TWO Enhance quality of life for all residents and build the City of Pittsburg's reputation as a regional destination.

2.1 **Collaborate with the Planning and Code Enforcement Divisions to develop code enforcement efforts focused on commercial and industrial centers. Efforts should address issues including but not limited to property maintenance (landscaping, debris, building maintenance, etc.), illegal outdoor storage, trash and refuse containment, overnight parking and other performance metrics identified within the municipal code.**



2.1.1 Enhance the vitality and aesthetic value of existing shopping centers. Form a team to review the state of existing shopping centers and identify signage and property maintenance issues.

2.1.2 Utilize public art as a means for creative placemaking and to help attract customers to business districts.

2.1.3 Work with property owners and managers of commercial and industrial areas to process and expedite entitling façade and landscaping improvements for multi-tenant shopping centers.

2.1.4 Identify a funding mechanism for small businesses (less than 10 employees) to undertake façade and/or landscaping improvements.

2.1.5 Explore policy options to encourage that vacant spaces be occupied such as code enforcement and contact with the owners. Deliver Subcommittee a report on vacant tenant fees.

2.2 **Using General Plan subareas, identify one program or goal for each area. These goals or programs may range from development of strategic or master plans to code enforcement within shopping centers. Each subarea program should be based on the goals of this strategic plan.**



2.2.1 Encourage the development, maintenance, and connectivity of high-quality public spaces in Pittsburg.

2.2.2 Promote linkages between shopping, entertainment, dining and nightlife facilities.

2.2.3 Support diverse housing opportunities as a means of providing a variety of options for residents of all income levels.

Business Spotlight:

Pittsburg Chamber of Commerce

Established in 1910, less than a decade after the incorporation of Pittsburg, the Pittsburg Chamber of Commerce serves a critical role on advocating for the business community, while working with the City to implement programs and events that help make Pittsburg a great place to do business. It is the mission of the Pittsburg Chamber to work to strengthen our local economy and drive the creation of jobs and investment.

Over the years, the Chamber has held multiple trainings for small businesses, provided financial guidance for companies, and during the COVID-19 pandemic, helped facilitate a $250,000 small business grant program, while keeping businesses up to date on federal and state assistance programs to keep the City's economy going during these turbulent times.

Today, the Chamber of Commerce has reimagined itself to help businesses thrive while tackling the evolving challenges facing the business community. The Chamber of Commerce is providing its members with workforce development opportunities, social media workshops, guidance through the City's entitlement processes, and connecting growing companies with resources and brokers to keep them in Pittsburg – all while promoting a positive image of Pittsburg and pushing issues that are important o Pittsburg businesses. In 2020, the Chamber of Commerce commenced its Business Watch Program, working closely with the City's Police Department and subject matter experts to address public safety concerns throughout local shopping centers.

"Every business benefits from economic growth and the creation of new jobs. More quality jobs contribute to a larger population with higher wages to spend supporting local businesses. That's why the Pittsburg Chamber provides resources and assistance to new and existing businesses seeking to create jobs and invest in our region," says 2021 Chamber of Commerce President Nancy Hairsine.

"The Pittsburg Chamber of Commerce is a Catalyst, a Convener, and a Champion. A Catalyst for change, a Convener of businesses and advocates, and a Champion for the community that we serve," says Chamber of Commerce CEO Wolfgang Croskey.



Above: Employee at local restaurant serves coffee to customer.

Business Attraction

THREE Identify strategies for bringing additional commercial and job opportunities to underutilized areas of the City.

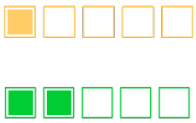
3.1 **Create an attractive environment for innovative businesses that are rooted in research and development and/or advanced manufacturing, and help projects get approved as efficiently as possible.**

3.1.1 Identify areas of City that are equipped to serve businesses; prepare a SWOT analysis.

3.1.2 Establish programs, policies, and strategies that will support and/or streamline privately funded redevelopment and allow for flexibility in uses.

3.1.3 Provide a summary of example fees to prospective businesses and create a new business startup guide that includes information on City business license and permitting requirements and assistance.

3.2 **Develop programs that support entrepreneurs.**



3.2.1 Utilize "pop ups" as a pilot for small retail and restaurant businesses that encourage entrepreneurs to test business ideas, establish a business plan, and manage expenses.

3.2.2 Encourage the development of high-quality small professional office space in a mixed-use setting to facilitate flexibility of uses as well as accommodate the evolving nature of work in the current economy (i.e., spaces that may scale up in tandem with the workforce).

3.2.3 With the assistance of local brokers, identify affordable commercial/industrial spaces to support new businesses, including collaborative and shared co-working spaces and "maker spaces."

3.3 **Identify and recruit industrial businesses that support and/or expand existing and potential industrial sectors in order to develop self-sustaining business clusters.**



3.3.1 Explore creation of zones designed to foster innovative business that include research and development components and businesses that are vertically integrated (R&D to manufacturing to sales).

3.3.2 Conduct audit of existing businesses and available spaces within Garcia Corridor. Establish programs, policies, and strategies that will support and/or streamline privately funded redevelopment and allow for flexibility in uses.

3.3.3 Explore potential economic development incentives to attract large employers or businesses that provide other public benefits.

3.3.4 Seek partnerships with startup tech firms in energy generation alternatives. Explore establishment of an ECO-HUB within industrial areas that will support green jobs.

3.4 **Invest in programs that train youth, young adults, seniors, reentry, and other populations in local industries, strengthening both the community and the local economy.**

3.4.1 Continue to partner with Future Build to provide target populations with skills necessary for modern construction jobs.

3.4.2 Research potential development of a program to complement Future Build that would focus on tech-centered skills, such as coding.



Above: Fireworks over the Marina at Fourth of July celebration.

Business Spotlight:

Bishop-Wisecarver

In the late 1960s, a dirty, debris-filled business need sparked a generation of invention for the Bishop-Wisecarver company.

An oil company customer asked founder Bud Wisecarver to design a fertilizer packaging machine for his business. Following a few failed attempts, DualVee Motion Technology was born. If you've ever bought a loaf of bread, a mattress or fertilizer for your garden, you've likely benefited from the ingenuity of Bud Wisecarver.

Though much has changed since its founding, Bishop-Wisecarver remains a family-owned company committed to manufacturing the highest quality products. It has evolved since the invention of the DualVee, launching Bishop-Wisecarver into a world-class company headquartered in Pittsburg. Today, Bishop-Wisecarver continues to grow its portfolio of new patents, mechatronics, and forward-thinking solutions it is renowned for, including countless guide systems, assemblies, and ancillary products found in nearly every household.

Bishop-Wisecarver has innovated by infusing decades of in-house engineering and design expertise with resourcefulness and grit. The company prides itself on its ability to tackle any problem, and in taking the time to ask questions, listen and deliver custom solutions with dedicated one-on-one support.

Bishop-Wisecarver is continually focused on the future, and that includes ushering in the next generation of engineering and entrepreneurship. In this spirit, the company invests time and resources into supporting students and programs in the community that support STEM based education and manufacturing.

In 2010, Bishop-Wisecarver earned its Bay Area Green Business Certification, as it has developed business practices that aim to conserve resources, prevent pollution, reduce waste, and shrink its carbon footprint. The company is also woman-owned and recognized by the Women's Business Enterprise National Council (WBENC).

Even as Bishop-Wisecarver helps to manufacture the future of optimized efficiency and advanced automation, it knows business still comes down to the people who get it done. It's with that knowledge that the Company leverages to promote its can-do, positive, never-say-never attitude, one that is reflective of the industrial sector of Pittsburg.

FOUR Public and Private Infrastructure Investment and Development.

4.1 **Establish revitalization plans for underutilized areas of the City and promote availability of existing vacant/underutilized land and building spaces for targeted uses.**



4.1.1 Identify opportunity sites through the General Plan Update efforts that create the greatest potential for redevelopment planning. Identify potential funding sources for plan development.

4.1.2 Identify opportunities for adaptive reuse of existing buildings, including allowing for office and personal improvement uses within residential areas along arterials roadways such as California Avenue.

4.1.3 Establish a list of all vacant land and vacant building spaces with size, zoning, ownership, broker representation, contact information.

4.1.4 Evaluate potential issues contributing to long-term underutilization of these sites/buildings (pricing vs market, neighborhood conditions, access, infrastructure, site or building orientation vs market conditions, etc.)

4.1.5 Market high value and strategic areas such as opportunity zones, revitalization plans, and the RASP as incentives to business expansion or relocation.

4.1.6 Continue to support and promote the Northern Waterfront Economic Development Initiative and seek to bring additional industrial development to parcels along the waterfront.

4.2 **Provide reliable and effective infrastructure and resources critical for success.**



4.2.1 Encourage existing and target businesses to identify and communicate infrastructure needs that are critical for growth in the 21st Century. These needs may include, but are not limited to, communications infrastructure, roadway maintenance, water and/or sewer line upgrades.

4.2.2 Prioritize infrastructure investments based on the benefits such improvements can offer business as well as residents and strive to balance these needs.

4.2.3 Increase high speed internet service to attract business and support existing businesses moving to online sales and management software.

4.3 **The service of power by the Pittsburg Power Company (PPC) within the City of Pittsburg represents one the most significant opportunities for business attraction and retention. Identify potential opportunities to utilize PPC to serve new and existing electricity and natural gas customers with competitive rates that help attract large users.**

4.3.1 Prepare an evaluation of existing infrastructure that currently exists within the City and may be utilized to provide power to medium- and large-size companies. Prepare an interconnect agreement application for submittal to PG&E.

4.3.2 Encourage the use of renewables for power generation, such as solar or wind power, battery storage project, or fuel cells.

4.3.3 Develop wide-scale transmission and distribution infrastructure throughout new developments and within industrial areas to expand power service.

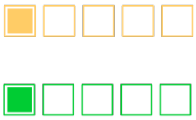


Above: The Historic California Theater attracts thousands of visitors annually to Downtown Pittsburg.

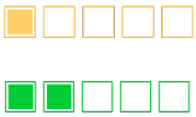
Strategy, Outreach, & Review

FIVE General Strategies, Outreach, and Periodic Review.

5.1 **Ensure Planning policies and projects incorporate economic development objectives and polices of this strategic plan, including development of multimodal transportation infrastructure to help commuters reach job centers.**



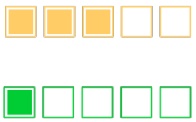
5.2 **In order to better assess size and needs of business, continue to gather additional information on businesses within the City.**



5.2.1 Utilize content management system to provide at-a-glance data analysis. Provide updates to the Subcommittee when discussing possible programs.

5.2.2 Utilize surveys of local businesses to gather additional information on employment statistics, ownership information, practices, and future plans.

5.3 **Conduct periodic reviews of City economic development policies.**



5.3.1 Analyze progress in implementing regulatory improvements adopted by the City Council, such as zoning changes, fee pilot program(s), or economic development incentive programs.

5.3.2 Analyze future changes to development impact fees and charges for development review/permit processing in terms of their efficacy in attracting or supporting desired economic growth.

5.3.3 Conduct periodic reviews of the permitting process to identify hurdles that may slow business growth.

5.4 **Increase outreach and utilize social media as a means for communicating with the business community.**

5.5 **Develop a branding strategy for the City with the direct goal of business recruitment. A new branding strategy should complement other City branding efforts.**

5.5.1 Work with Chamber to become more involved in initiatives like the 'Shop Local' campaign and other events.



Above: The Pittsburg Marina is a highly sought attraction for visitors, but also present numerous economic opportunities thought the City's Trust Lands Use Plan.

Business Spotlight:

U.S. Steel - UPI

Pittsburg is a City that was built on industry, and it's a history the City proudly recognizes. In the early 1900s Columbia Geneva Steel opened for business, and quickly supplanted coal mining, fishing and canning as the primary industries in the town – so much so that by popular vote in 1911, the city's name was changed from "Black Diamond" to "Pittsburg," after the eastern birthplace of the steel industry.

In the 1920s the plant expanded, introducing new technologies such as the West's first nail mill.

In the 1930s-1940s, the facility was outfitted with equipment to support major federalpublic works projects, including the San Francisco/Oakland Bay Bridge, as well as helping with the World War II effort. The plant become known as U.S. Steel, and offered the most diverse product line of any steel plant in the United States.

Though the plant has seen turbulent times, multiple partnerships, and several names changes, today, UPI manufactures numerous steel products from hot rolled steel supplied by our U.S. Steel, employs nearly 700 hourly and salaried workers, and ships high quality steel to more than 150 customers throughout North America.

Upon celebrating the plant's 100th anniversary in 2010, the plant saw sales exceeding $1.0 billion.

As the company moves into the future, UPI has expressed its commitment to supporting the manufacturing sector in Pittsburg, while continuously searching for new technologies, and maintaining industry-leading environmental practices.

In the late 1990s UPI recognized that environmental management is key priority, and has strived to minimize pollution in its manufacturing activities, products, and services by applying the principles of environmental planning throughout the product or process of cycle. UPI was subsequently awarded for Outstanding Corporate Environmental Achievement by the National Environmental Development Association.

Appendix A:

Economic Trends Report

ECONOMIC TRENDS



This report is designed to support the City of Pittsburg General Plan Update. The analysis contained herein describes existing economic development conditions, including patterns in sectoral employment, business activity, retail sales, and the commercial and industrial real estate markets. Building upon these economic and real estate market conditions, the analysis also translates projected employment growth into potential demand for new workspace during the planning timeframe, which generally runs from 2020 to 2040.

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This report is informed by a combination of public and private data sources (such as the U.S. Census, Bureau of Labor Statistics, Co-Star, and ESRI) and interviews with a range of local economic development and real estate professionals familiar with and/or active in Pittsburg. This approach seeks to identify issues and/or opportunities that could be addressed in the General Plan Update to better position the City to foster economic growth and establishment of new businesses, to encourage redevelopment of under-utilized land, and to encourage existing businesses to remain in the City of Pittsburg.

Summary of Findings

The key findings of the economic, real estate market analysis, workspace demand projections, and stakeholder interviews are summarized below.

- **Finding 1:** Pittsburg's economic base consists primarily of firms with less than 100 employees, as opposed to large corporate users.
- **Finding 2:** The City's retail trade, government, and manufacturing sectors are generally stronger than the region and State, while the transportation, services, and finance, insurance, and real estate sectors represent fewer employment opportunities in comparison to the region and the State.
- **Finding 3:** The employment sector with the lowest concentration within Pittsburg relative to the region is the services sector.
- **Finding 4:** Retail spending patterns of Pittsburg households are generally similar in proportion to those of households in the region; however, Pittsburg's households generally spend a larger percentage of their income in the food and beverage and general merchandise categories than households throughout the region and State.
- **Finding 5:** The retail sectors which experience the most retail leakage are the motor vehicle and parts dealers, clothing and clothing accessories stores, and gasoline stations. The retail sectors with the largest retail surplus in the City include food and beverage stores and general merchandise stores.
- **Finding 6:** The office and retail real estate markets have generally been experiencing increasing occupancy levels and rising rents for the last several years, indicating strength in the real estate sector. The real estate sector with the highest increase in rents (between 2018 and 2019) was the office market. The industrial real estate market has remained relatively flat in terms of inventory; however, occupancy has decreased slightly and industrial rents have risen.
- **Finding 7:** The number of employed residents in the City is projected to increase to 39,380 (an increase of 4,885 employed residents or 14.2%) by 2040 while jobs in Pittsburg will increase to 15,615 by 2040 (an increase of 17.1%). However, the City is projected to have significantly more employed residents than local jobs.
- **Finding 8:** The City is perceived as having constraints to sustaining its existing retailers and attracting new retailers. For example, residents in the City have varying levels of disposable income available to spend in the retail sector. Additionally, much of the City's workforce commutes outside of the City, and many of the City's local employees remain onsite during the rest and lunch breaks.
- **Finding 9:** Stakeholders identified constraints associated with the City's zoning code, including requirements for a conditional use permit for uses that are assumed to be allowed in a zone, the need for changes to promote the types of development that the City desires, and the need for flexibility to maximize opportunities.
- **Finding 10:** Stakeholders identified that Pittsburg will become increasingly attractive for start-up and e-commerce businesses due to increases in rental rates throughout Silicon Valley, noting there is current demand for smaller industrial and commercial spaces in the 2,000 to 8,000 square-foot range.
- **Finding 11:** Stakeholders identified the City's proven track record of thinking creatively around unique opportunities and optimism about working with City staff to resolve technical issues and develop long-term projects.

Economic Overview

This section provides a snapshot of the city's major employers, a comparison of employment by industry, and Pittsburg's household retail spending relative to the San Francisco-Oakland-Hayward Metropolitan Statistical Area (MSA) and the State.

Major Employers

Table 1 lists the major employers within Pittsburg with 100 or more employees. Many of the employers included in this list are driven largely by providing retail goods and services, such as government, education, and health-related services, to the City's residential population.

Table 1: City of Pittsburg's Largest Employers - 2019

Employer with 100+ Employees	Industry	Employee Count
Los Medanos College	Community College	500-999
City of Pittsburg	City Offices	250-499
Contra Costa County Health Center	Public Health Programs	250-499
Dow Chemical Co.	Other Chemical and Allied Products Merchant Wholesalers	250-499
Walmart	General Merchandise	250-499
USS Posco Industries	Iron, Steel Mills, and Ferroalloy Manufacturing	100+
Durham School Service	School and Employee Bus Transportation	100-249
Winco Foods	Grocery Stores and Supermarkets	100-249
Safeway	Grocery Stores and Supermarkets	100-249
Diamond Ridge Healthcare Center	Senior Homes	100-249
Pittsburg Health Center	Public Health Programs	100-249
McCampbell Analytical, Inc.	Environmental Consulting	100-249
Winter Honda	New Car Dealerships	100-249
Cemcom Inc.	Brick, Stone, and Related Construction Materials Merchant Wholesalers	100-249
Bay Area Casino Express	Gambling Facilities	100-249
Cintas	Specialty Clothing Stores	100-249
Olive Garden Italian Kitchen	Full-Service Restaurants	100-249
Pittsburg Adult Education	Elementary, Middle, and High Schools	100-249
Pittsburg Unified School District	Elementary, Middle, and High Schools	100-249
Target	General Merchandise	100-249
Island Pacific Pittsburg	Grocery Stores and Supermarkets	100-249

Source: www.thinkpittsburg.com, 2019.

Table 2 shows the breakdown of all businesses within Pittsburg, by industry sector. The sectors are based on Bureau of Labor Statistics North American Industry Classification System 2-digit codes. The largest employment sectors in Pittsburg include Services and Retail Trade sectors, which account for 39.4% and 22.3% of businesses, respectively. Businesses within the Services and Retail Trade sectors comprise 823 of the 1,293 businesses within the City. Out of the 1,293 businesses in Pittsburg, only a small amount (21 businesses shown in Table 1) report 100 or more employees.

TABLE 2: BUSINESSES BY INDUSTRY SECTOR IN PITTSBURG AND MSA - 2018

INDUSTRY SECTOR	CITY OF PITTSBURG		SAN FRANCISCO-OAKLAND-HAYWARD MSA	
	NUMBER OF BUSINESSES	PERCENT	NUMBER OF BUSINESSES	PERCENT
Agriculture & Mining	21	1.6%	2,362	1.2%
Construction	95	7.3%	9,863	5.2%
Manufacturing	44	3.4%	5,770	3.0%
Transportation	34	2.6%	4,900	2.6%
Communication	22	1.7%	1,569	0.8%
Utility	7	0.5%	350	0.2%
Wholesale Trade	53	4.1%	6,699	3.5%
Retail Trade Summary	288	22.3%	37,101	19.6%
Home Improvement	*17*	*1.3%*	*1,881*	*1.0%*
General Merchandise Stores	*12*	*0.9%*	*843*	*0.4%*
Food Stores	*41*	*3.2%*	*3,877*	*2.0%*
Auto Dealers, Gas Stations, Auto Aftermarket	*40*	*3.1%*	*2,733*	*1.4%*
Apparel & Accessory Stores	*12*	*0.9%*	*2,670*	*1.4%*
Furniture & Home Furnishings	*17*	*1.3%*	*2,946*	*1.6%*
Eating & Drinking Places	*94*	*7.3%*	*13,299*	*7.0%*
Miscellaneous Retail	*55*	*4.3%*	*8,852*	*4.7%*
Finance, Insurance, Real Estate Summary	98	7.6%	18,781	9.9%
Banks, Savings & Lending Institutions	*18*	*1.4%*	*2,882*	*1.5%*
Securities Brokers	*4*	*0.3%*	*3,044*	*1.6%*
Insurance Carriers & Agents	*23*	*1.8%*	*3,219*	*1.7%*
Real Estate, Holding, Other Investment Offices	*53*	*4.1%*	*9,636*	*5.1%*
Services Summary	509	39.4%	81,642	43.1%
Hotels & Lodging	*6*	*0.5%*	*1,292*	*0.7%*
Automotive Services	*61*	*4.7%*	*5,083*	*2.7%*
Motion Pictures & Amusements	*34*	*2.6%*	*5,290*	*2.8%*
Health Services	*47*	*3.6%*	*10,342*	*5.5%*
Legal Services	*7*	*0.5%*	*4,822*	*2.5%*
Education Institutions & Libraries	*40*	*3.1%*	*4,629*	*2.4%*
Other Services	*314*	*24.3%*	*50,184*	*26.5%*
Government	43	3.3%	3,402	1.8%
Unclassified Establishments	79	6.1%	16,825	8.9%
Totals	1,293	100.0%	189,264	100.0%

MSA = METROPOLITAN STATISTICAL AREA.
SOURCE: ESRI BUSINESS ANALYST ONLINE, MAY 2019.

EMPLOYMENT

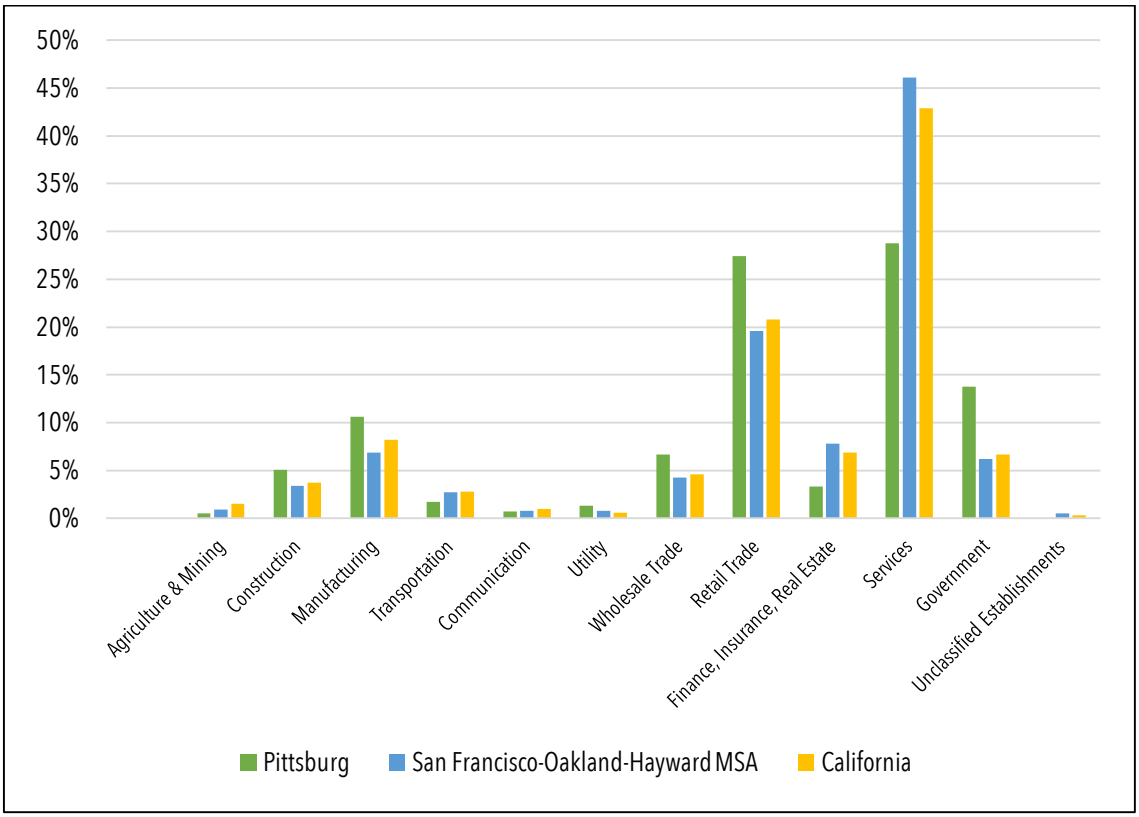
Table 3 shows a comparison of employment by industry sector within the City of Pittsburg, the MSA, and the State. This information is also presented graphically in Figure 1.

TABLE 3: EMPLOYMENT BY SECTOR: PITTSBURG, MSA, STATE - 2018

INDUSTRY SECTOR	CITY OF PITTSBURG		SAN FRANCISCO-OAKLAND-HAYWARD MSA		STATE OF CALIFORNIA	
	JOBS	PERCENT	JOBS	PERCENT	JOBS	PERCENT
Agriculture & Mining	86	0.5%	20,066	0.9%	236,960	1.5%
Construction	795	5.1%	76,405	3.4%	593,447	3.7%
Manufacturing	1,658	10.6%	153,100	6.9%	1,325,840	8.2%
Transportation	272	1.7%	60,100	2.7%	446,596	2.8%
Communication	107	0.7%	18,652	0.8%	164,494	1.0%
Utility	212	1.3%	18,602	0.8%	91,625	0.6%
Wholesale Trade	1,054	6.7%	95,237	4.3%	740,957	4.6%
Retail Trade Summary	4,301	27.4%	433,689	19.6%	3,355,908	20.8%
Home Improvement	*204*	*1.3%*	*21,332*	*1.0%*	*202,796*	*1.3%*
General Merchandise Stores	*678*	*4.3%*	*36,318*	*1.6%*	*321,241*	*2.0%*
Food Stores	*890*	*5.7%*	*64,139*	*2.9%*	*429,352*	*2.7%*
Auto Dealers, Gas Stations, Auto Aftermarket	*424*	*2.7%*	*33,855*	*1.5%*	*321,215*	*2.0%*
Apparel & Accessory Stores	*37*	*0.2%*	*25,989*	*1.2%*	*178,193*	*1.1%*
Furniture & Home Furnishings	*87*	*0.6%*	*32,069*	*1.4%*	*208,726*	*1.3%*
Eating & Drinking Places	*1,550*	*9.9%*	*158,372*	*7.1%*	*1,211,089*	*7.5%*
Miscellaneous Retail	*431*	*2.7%*	*61,615*	*2.8%*	*483,296*	*3.0%*
Finance, Insurance, Real Estate Summary	519	3.3%	173,012	7.8%	1,107,307	6.9%
Banks, Savings & Lending Institutions	*156*	*1.0%*	*36,735*	*1.7%*	*244,612*	*1.5%*
Securities Brokers	*14*	*0.1%*	*37,067*	*1.7%*	*131,825*	*0.8%*
Insurance Carriers & Agents	*82*	*0.5%*	*28,768*	*1.3%*	*216,552*	*1.3%*
Real Estate, Holding, Other Investment Offices	*267*	*1.7%*	*70,442*	*3.2%*	*514,318*	*3.2%*
Services Summary	4,530	28.8%	1,021,217	46.1%	6,910,465	42.9%
Hotels & Lodging	*47*	*0.3%*	*38,156*	*1.7%*	*294,809*	*1.8%*
Automotive Services	*232*	*1.5%*	*30,048*	*1.4%*	*232,207*	*1.4%*
Motion Pictures & Amusements	*355*	*2.3%*	*56,801*	*2.6%*	*597,601*	*3.7%*
Health Services	*385*	*2.5%*	*180,556*	*8.1%*	*1,473,063*	*9.1%*
Legal Services	*31*	*0.2%*	*40,939*	*1.8%*	*211,860*	*1.3%*
Education Institutions & Libraries	*1,811*	*11.5%*	*162,775*	*7.3%*	*1,297,443*	*8.1%*
Other Services	*1,669*	*10.6%*	*511,942*	*23.1%*	*2,803,482*	*17.4%*
Government	2,164	13.8%	136,609	6.2%	1,072,738	6.7%
Unclassified Establishments	7	0.0%	10,799	0.5%	53,819	0.3%
Totals	15,705	100.0%	2,217,488	100.0%	16,100,156	100.0%

MSA = METROPOLITAN STATISTICAL AREA. SIC = STANDARD INDUSTRIAL CLASSIFICATION.
SOURCE: ESRI BUSINESS ANALYST ONLINE, MAY 2019.

FIGURE 1: EMPLOYMENT BY SECTOR: PITTSBURG, MSA, STATE - 2018



SOURCE: ESRI BUSINESS ANALYST ONLINE, MAY 2019.

The make-up of the approximately 15,705 jobs within the City of Pittsburg is similar to that of the San Francisco-Oakland-Hayward MSA and the State of California overall. Noticeably, Pittsburg has a smaller percentage of jobs engaged in the Services sector (10.6%) than does the larger MSA (23.1%). The City also has a higher percentage of jobs engaged in the Government sector (13.8%) compared to the MSA (6.2%) and State (6.7%) and in the Retail sector (27.4%) compared to the MSA (19.6%) and State (20.8%).

The proportion of jobs in Pittsburg that are within the Manufacturing sector (10.6%) are higher than this sector's share of jobs in the larger MSA. Further, the Education Institutions & Libraries sector of the City (11.5%) is higher than the share of jobs in the larger MSA (7.3%). The education-related employers listed within Table 1, such as Los Medanos College, likely contribute to the higher share of education-related employment within the City.

RETAIL SPENDING

Table 4 shows Pittsburg's average household retail spending relative to the MSA and the State. Figure 2 shows the City's retail spending patterns by category, in comparison to the MSA and the State. The current estimated household retail spending breakdown was obtained from ESRI Business Analyst, a data provider that businesses, including many retailers, rely upon for estimates of household spending potential. The data is based upon Bureau of Labor Statistics household spending patterns that have been applied to smaller geographies than the county-level geographies and includes factors to address inflation and various other economic variables. The retail spending estimates exclude household spending on some items, such as transportation, which contain a retail component.

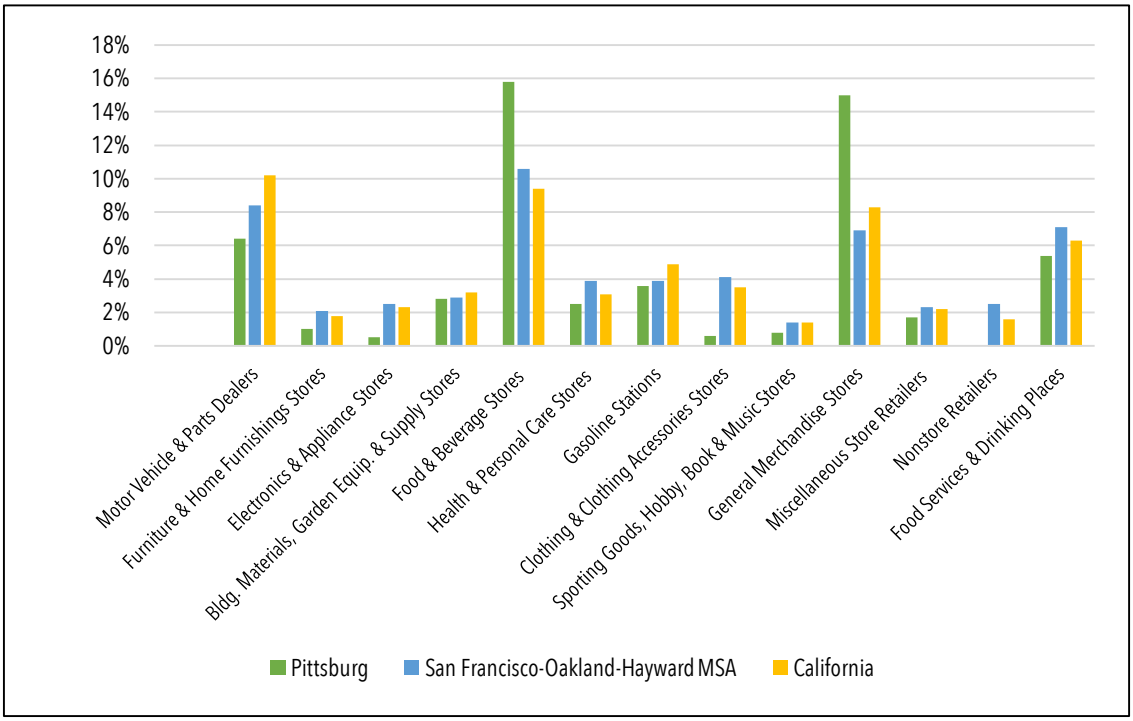
TABLE 4: AVERAGE HOUSEHOLD RETAIL SPENDING: PITTSBURG, MSA, STATE - 2018

RETAIL SECTOR	CITY OF PITTSBURG		SAN FRANCISCO-OAKLAND-HAYWARD MSA		STATE OF CALIFORNIA	
	$/HH	SHARE	$/HH	SHARE	$/HH	SHARE
Motor Vehicle & Parts Dealers	$3,539.99	6.4%	$5,764.82	8.4%	$7,221.81	10.2%
Furniture & Home Furnishings Stores	$582.10	1.0%	$1,452.96	2.1%	$1,270.91	1.8%
Electronics & Appliance Stores	$304.59	0.5%	$1,713.55	2.5%	$1,676.19	2.3%
Building Materials, Garden Equip. & Supply Stores	$1,547.06	2.8%	$1,992.28	2.9%	$2,271.26	3.2%
Food & Beverage Stores	$8,801.49	15.8%	$7,335.00	10.6%	$6,650.58	9.4%
Health & Personal Care Stores	$1,404.29	2.5%	$2,662.37	3.9%	$2,184.93	3.1%
Gasoline Stations	$1,977.98	3.6%	$2,691.84	3.9%	$3,448.78	4.9%
Clothing & Clothing Accessories Stores	$306.67	0.6%	$2,842.12	4.1%	$2,472.02	3.5%
Sporting Goods, Hobby, Book & Music Stores	$418.66	0.8%	$993.78	1.4%	$1,008.62	1.4%
General Merchandise Stores	$8,333.98	15.0%	$4,749.15	6.9%	$5,873.91	8.3%
Miscellaneous Store Retailers	$927.03	1.7%	$1,580.36	2.3%	$1,562.15	2.2%
Nonstore Retailers	$20.79	0.0%	$1,750.77	2.5%	$1,151.24	1.6%
Food Services & Drinking Places	$3,002.64	5.4%	$4,927.06	7.1%	$4,443.24	6.3%

SOURCE: ESRI BUSINESS ANALYST ONLINE, MAY 2019

The estimated spending patterns of Pittsburg households are very similar to those in the larger MSA and State. The retail sectors with the highest spending include: Food & Beverage Stores and General Merchandise Stores, which account for a 15.8% and 15% share of household spending, respectively.

FIGURE 2: AVERAGE HOUSEHOLD RETAIL SPENDING: PITTSBURG, MSA, STATE - 2018



SOURCE: ESRI BUSINESS ANALYST ONLINE, MAY 2019.

Table 5 shows Pittsburg's retail spending gap relative to the MSA and the State. The retail gap is based on the amount of retail sales within the City in comparison to the projected retail potential of the City's population, based on the total amount spent by consumers at retail establishments. A positive retail gap number reflects the amount of leakage occurring, indicating the amount that Pittsburg's residents are spending outside of the City. A negative retail gap number represents a surplus, indicating that the City is capturing sales beyond the demand associated solely with Pittsburg's residents.

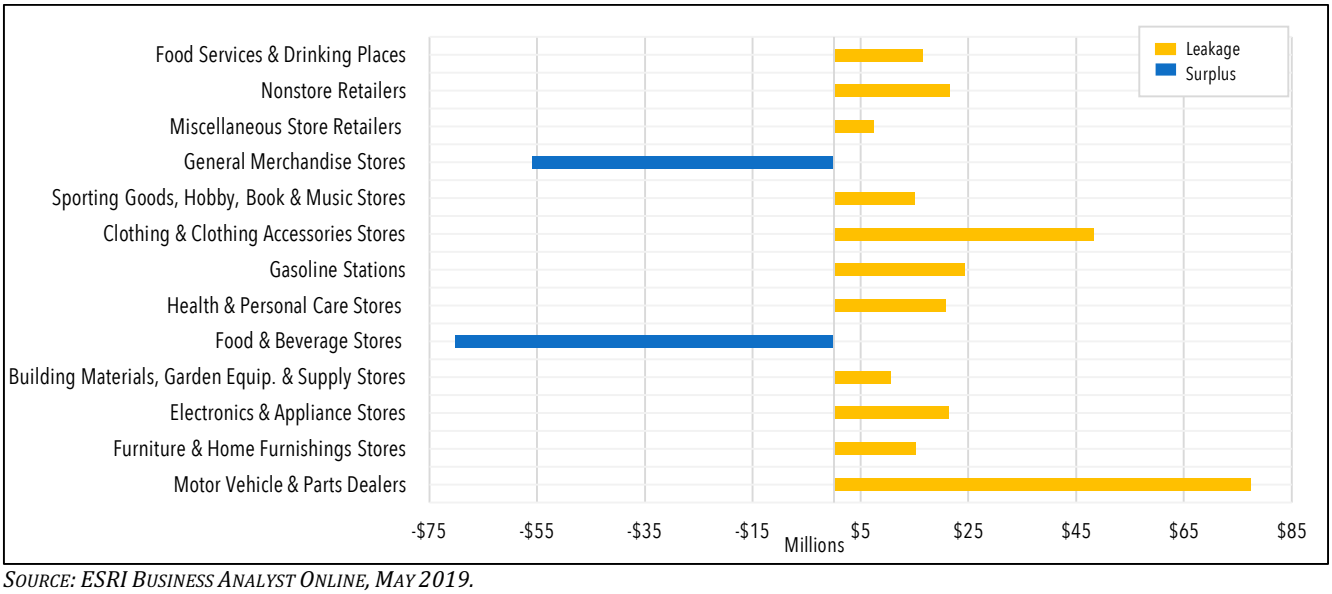
TABLE 5: RETAIL GAP: PITTSBURG, MSA, STATE - 2018

RETAIL SECTOR	CITY OF PITTSBURG	SAN FRANCISCO-OAKLAND-HAYWARD MSA	STATE OF CALIFORNIA
Motor Vehicle & Parts Dealers	$77,270,913	$7,168,590,207	$10,802,446,108
Furniture & Home Furnishings Stores	$15,156,466	$675,634,784	$2,559,381,965
Electronics & Appliance Stores	$21,284,788	$205,652,129	($2,922,698,182)
Building Materials, Garden Equip. & Supply Stores	$10,499,672	$1,638,301,049	$1,209,742,215
Food & Beverage Stores	($70,212,457)	$1,073,758,337	($3,932,159,981)
Health & Personal Care Stores	$20,650,424	$1,196,762,192	$6,770,509,115
Gasoline Stations	$24,257,039	$2,589,305,005	($394,585,593)
Clothing & Clothing Accessories Stores	$48,183,484	$1,498,349,986	$5,549,285,265
Sporting Goods, Hobby, Book & Music Stores	$15,050,944	$1,042,119,402	$3,363,159,935
General Merchandise Stores	($55,907,080)	$6,070,721,912	$9,312,314,504
Miscellaneous Store Retailers	$7,325,793	$414,925,645	($1,403,507,889)
Nonstore Retailers	$21,589,783	($454,838,084)	$281,089,213
Food Services & Drinking Places	$16,551,078	$1,013,853,327	($1,477,868,705)

SOURCE: ESRI BUSINESS ANALYST ONLINE, MAY 2019.

As shown, two retail sectors experienced retail surplus in 2018 in the City: Food & Beverage Stores (-$70,212,457) and General Merchandise Stores (-$55,907,080). Retail surplus also occurred in the Food & Beverage Stores sector at the State-level. The retail sectors with the largest retail leakage in the City include: Motor Vehicle & Parts Dealers ($77,270,913) and Clothing & Clothing Accessories Stores ($48,183,484). The City's retail gap is shown graphically in Figure 3.

FIGURE 3: RETAIL GAP: PITTSBURG - 2018



SOURCE: ESRI BUSINESS ANALYST ONLINE, MAY 2019.

Real Estate Market Conditions

This section presents an overview of the current office, industrial, and retail real estate sectors and projected employment growth for the associated job sectors. The real estate market data presented below is based on data from CoStar Realty Information Inc. (CoStar). CoStar maintains an extensive database of commercial property that tracks inventory, occupancy, rent, and other metrics for office, retail, industrial, and flex properties within the region. It is noted that data is voluntarily reported by brokers to CoStar; for certain categories, including the 2018 and 2019 industrial rents, as well as rents for several subareas discussed on the following pages, no data had been provided to CoStar.

Table 6 presents the key office, retail, and industrial real estate market indicators for Pittsburg from 2013 through the first quarter of 2019. The indicators are discussed in the subsequent sections, which also address indicators for several of Pittsburg's market subareas including the Downtown, Garcia Avenue subarea, and Railroad Avenue subareas which are shown on Figure 4.

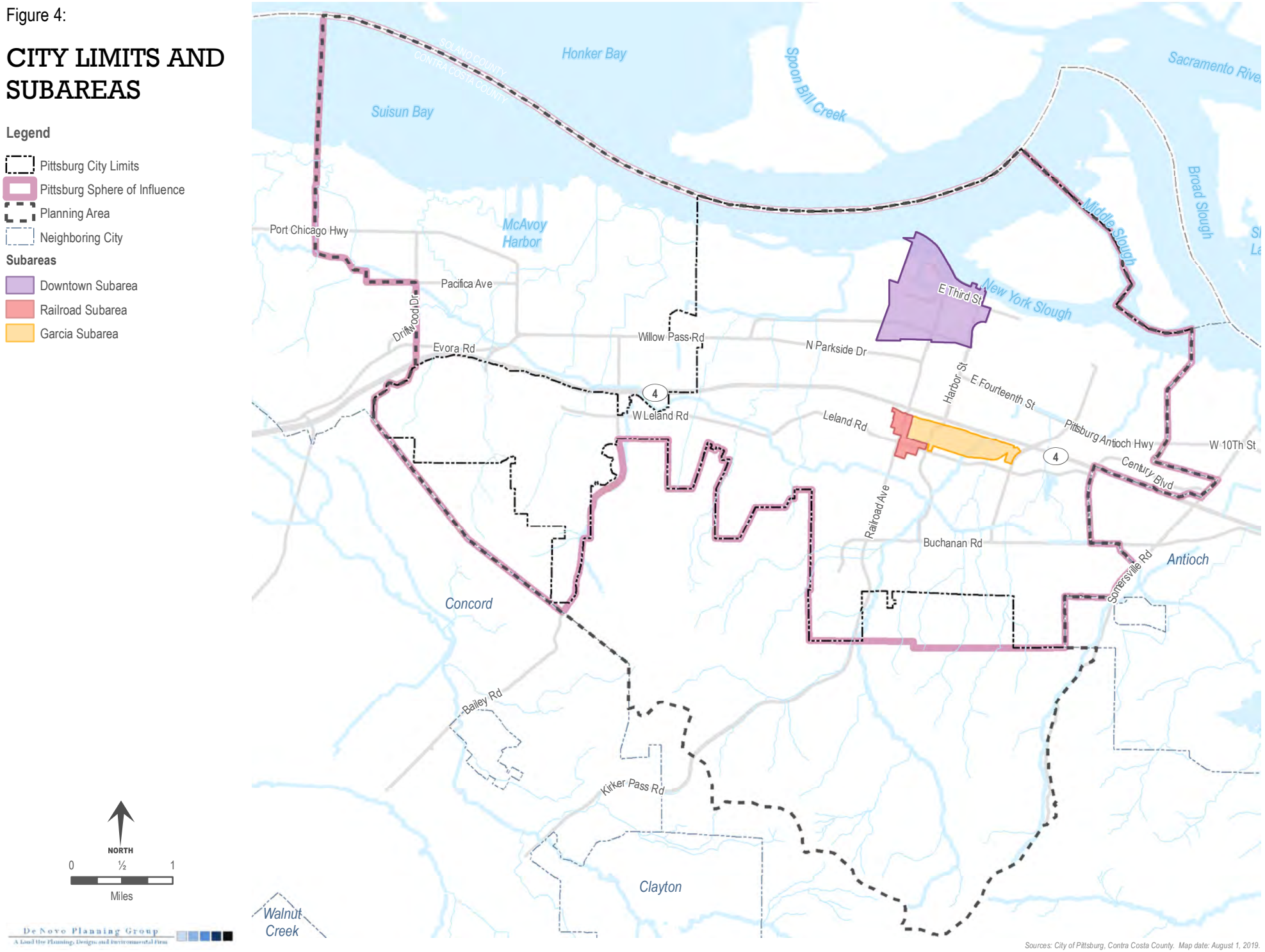
Table 6: Commercial Real Estate Market Overview: Pittsburg - 2018-YTD 2019

Real Estate Sector	2013	2014	2015	2016	2017	2018	YTD 2019
Office Market							
Inventory SF	520,141	520,141	520,141	502,714	502,714	502,714	502,714
Occupied SF	484,948	491,103	490 ,081	477,392	471,376	487,450	488,384
Occupancy Percent	93.2%	94.4%	94.2%	95.0%	93.8%	97.0%	97.1%
Net Absorption SF Total	(4,528)	6,155	(1,022)	(12,689)	(6,016)	16,074	934
Office Gross Rent Overall/SF/Yr.	$15.49	$16.14	$15.09	$15.45	$17.53	$18.40	$24.48
Retail Market							
Inventory SF	2,540,288	2,540,288	2,540,288	2,548,726	2,558,726	2,561,446	2,561,446
Occupied SF	2,391,777	2,369,589	2,422,603	2,483,120	2,471,668	2,512,549	2,473,211
Occupancy Percent	94.2%	93.3%	95.4%	97.4%	96.6%	98.1%	96.6%
Net Absorption SF Total	(12,481)	(22,188)	53,014	60,517	(11,542)	40,881	(39,338)
Retail NNN Rent Overall/SF/Yr.	$16.74	$17.50	$16.83	$17.12	$15.02	$15.74	$16.30
Industrial Market							
Inventory SF	7,092,754	7,092,754	7,092,754	7,092,754	7,092,754	7,092,754	7,092,754
Occupied SF	6,550,356	6,478,068	6,350,118	6,553,129	6,441,966	6,669,762	6,399,977
Occupancy Percent	92.4%	91.3%	89.5%	92.4%	90.8%	94.0%	90.2%
Net Absorption SF Total	(6,259)	(72,288)	34,079	40,982	(111,163)	227,796	(261,025)
Industrial NNN Rent Overall/SF/Yr.	$6.26	$6.01	$7.63	$8.78	$8.96	--[1]	$7.20[1]

Notes: NNN = triple net; SF = square feet; YTD = year-to-date.
[1] CoStar data unavailable. YTD2019 Industrial rents based on input from real estate stakeholders during the stakeholder interviews (discussed under Economic and Real Estate Perceptions section).
Source: CoStar Realty Information Inc., 2019.

Figure 4:

CITY LIMITS AND SUBAREAS



Sources: City of Pittsburg, Contra Costa County. Map date: August 1, 2019.

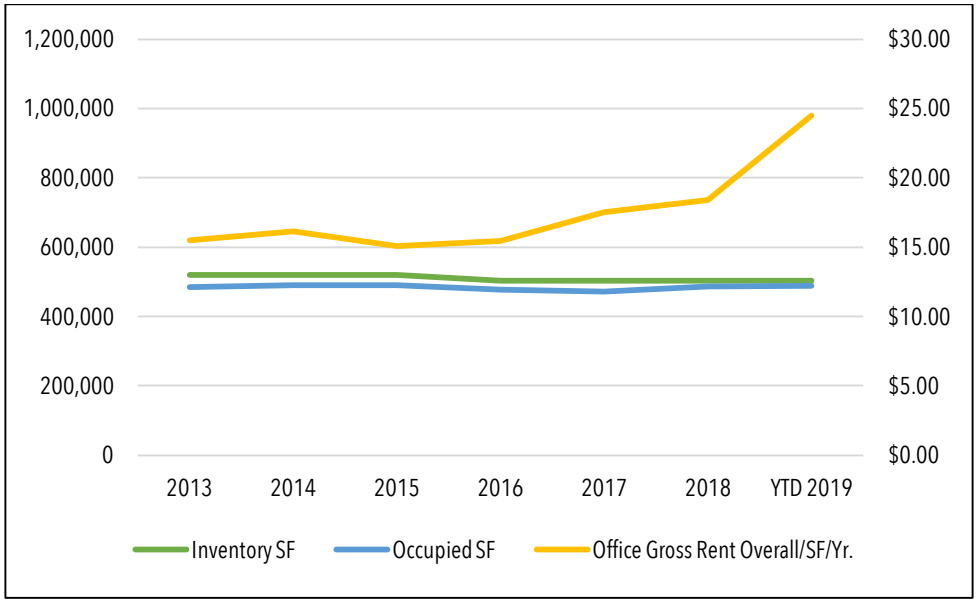
OFFICE MARKET CONDITIONS

Figure 5 shows the overview indicators for the office real estate market. Pittsburg's office inventory has increased slightly over the last several years from 502,714 to 520,141 square feet (SF) during the 2013 to 2019 period. During this time period, there was a 3.4% decrease in the amount of office space from 520,141 SF in 2013 to 502,714 SF in 2019 and the occupancy rate ranged from a low of 93.2% to a high of 97.1%, which occurred in 2019. Office gross annual rents climbed from $15.49/SF in 2013 to a high of $24.48/SF in 2019.

Table 7 compares the citywide office market indicators, as well as the indicators for the City's subareas. Nearly half (41%) of the City's office inventory is located in the Downtown subarea and approximately 13% is located in the Railroad Avenue subarea. The occupancy rates for the City, Downtown subarea, and Garcia Avenue subarea are steady and at or near 100%, while the Railroad Avenue occupancy rate is approximately 87%. Office rents are generally higher in the Railroad Avenue subarea and less in the Downtown subarea compared to the overall City and subareas.

Office buildings are intended to house employees of companies that produce a product or service primarily for support services, such as administration, accounting, marketing, consulting, human resources management, financial, insurance, educational, medical, and other professional services.

FIGURE 5: PITTSBURG OFFICE MARKET OVERVIEW - 2013-YTD 2019



SOURCE: COSTAR REALTY INFORMATION INC., 2019.

TABLE 7: OFFICE MARKET COMPARISON - 2018 AND YTD 2019

ITEM	PITTSBURG (CITY)	DOWNTOWN SUBAREA	GARCIA AVE. SUBAREA	RAILROAD AVE. SUBAREA
YEAR-TO-DATE 2019				
Inventory (SF)	502,714	204,622	16,320	69,075
Occupancy Rate	97.1%	98.7%	100.0%	86.5%
Gross Rent Overall/SF/Yr.	$24.48	$15.58	--[1]	$29.92
2018				
Inventory (SF)	502,714	204,622	16,320	69,075
Occupancy Rate	97.0%	98.8%	100.0%	87.6%
Gross Rent Overall/SF/Yr.	$18.40	$14.40	--[1]	$19.63

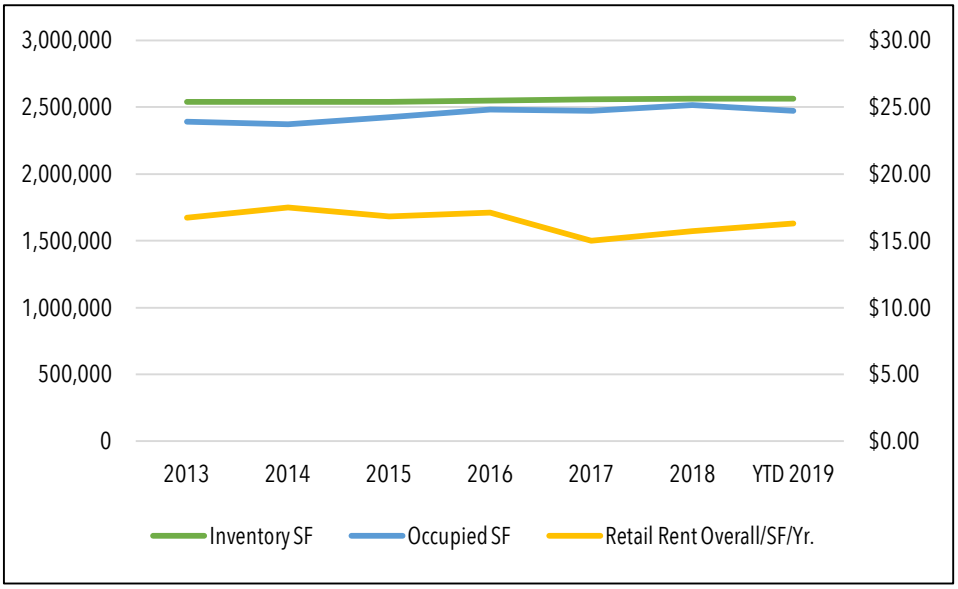
NOTE: [1] NO DATA REPORTED TO COSTAR FOR THIS SUBAREA/TIME PERIOD.
SOURCE: COSTAR REALTY INFORMATION INC., 2019.

Retail Market Conditions

Figure 6 shows an overview of the retail real estate market indicators. While inventory has remained fairly constant, ranging from 2,540,288 SF in 2013 to 2,561,446 SF in 2019, the retail real estate market has seen more sporadic activity over the last several years, with fluctuating occupancy levels and retail rents. Retail space increased slightly by less than 1%, from 2.54 million SF in 2013 to 2.56 million SF in 2019 and the occupancy rate ranged from a low of 93.3% to a high of 98.1%, which occurred in 2018. Office gross annual rents climbed from $15.49/SF in 2013 to a high of $24.48/SF in 2019.

Table 8 compares retail market conditions citywide and by subarea. Approximately 13% of the City's retail inventory is located in the Downtown Subarea and approximately 9% is located in the Railroad Avenue Subarea. The occupancy rates for the City, Downtown Subarea, Garcia Avenue Subarea, and Railroad Avenue Subarea are generally steady and at or near 100%, although the 2019 year-to-date rate in the Downtown subarea is 87.8%. Retail rents in the Railroad Avenue subarea increased significantly by 87% from 2018 to early 2019.

Figure 6: Pittsburg Retail Market Overview - 2013-YTD 2019



Source: CoStar Realty Information Inc., 2019.

Retail property's primary intended use is to promote, distribute or sell products and services to the general public. Retail buildings can be used for various sales opportunities, including, but not limited to, stand-alone (convenience stores to department stores), store fronts, strip centers (no anchors), neighborhood, community, regional, and super-regional malls, power centers, factory outlet centers, and fashion or specialty centers.

Table 8: Retail Market Comparison - 2018 and YTD 2019

Item	Pittsburg (City)	Downtown Subarea	Garcia Ave. Subarea	Railroad Ave. Subarea
Year-to-Date 2019				
Inventory (SF)	2,561,446	339,368	20,345	235,607
Occupancy Rate	96.6%	87.8%	100.0%	99.5%
Rent Overall/SF/Yr.	$16.30	--[1]	--[1]	$34.84
2018				
Inventory (SF)	2,561,446	339,368	20,345	235,607
Occupancy Rate	98.1%	96.5%	100.0%	98.9%
Rent Overall/SF/Yr.	$15.74	$25.50	--[1]	$18.62

Note: [1] No data reported to CoStar for this subarea/time period.
Source: CoStar Realty Information Inc., 2019.

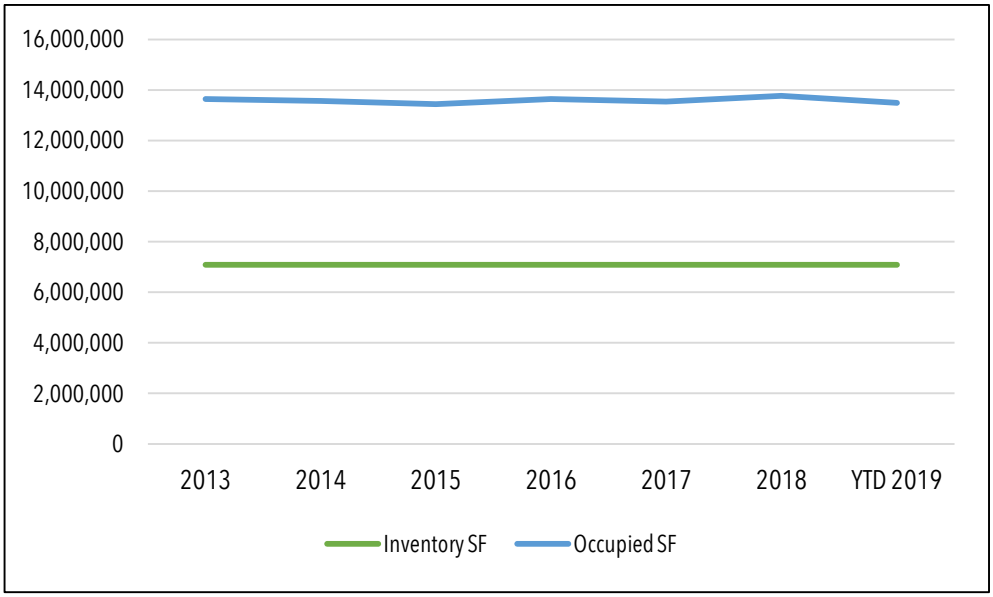
INDUSTRIAL MARKET CONDITIONS

Figure 7 shows an overview of the industrial real estate market indicators. Pittsburg's industrial inventory has remained constant over the last several years at 7,092,754 SF of space. The occupied inventory has also remained relatively constant, ranging from a low of 6,350,118 SF (2015) to 6,669,762 SF (2018). The industrial gross rent has steadily increased since 2013. In contrast to the office and retail markets, which generally experienced an increase in occupancy from 2013 through 2019, the industrial real estate market's occupancy rate declined during this period to 90.2% in 2019. Annual industrial rents increased from $6.26/SF in 2013 to a high of $8.96/SF in 2017; rental rates were not available for 2018 or 2019.

Table 9 compares industrial market conditions citywide and by subarea. Approximately 16% of the City's industrial inventory is located in the Garcia Avenue Subarea. The occupancy rates for the City, Downtown Subarea, and Garcia Avenue Subarea are generally steady and at or near 100%.

Industrial buildings are typically adapted for a range of uses such as assemblage, processing, and/or manufacturing products from raw materials. Additional uses include warehousing, distribution, and maintenance facilities.

FIGURE 7: PITTSBURG INDUSTRIAL MARKET OVERVIEW - 2013-YTD 2019



SOURCE: COSTAR REALTY INFORMATION INC., 2019.

TABLE 9: INDUSTRIAL MARKET COMPARISON - 2018 AND YTD 2019

ITEM	PITTSBURG (CITY)	DOWNTOWN SUBAREA	GARCIA AVE. SUBAREA	RAILROAD AVE. SUBAREA
YEAR-TO-DATE 2019				
Inventory (Sq. Ft.)	7,092,754	105,238	1,122,873	--[1]
Occupancy Rate	90.2%	100.0%	99.2%	--[1]
Rent Overall/SF/Yr.	--[1]	--[1]	--[1]	--[1]
2018				
Inventory (Sq. Ft.)	7,092,754	105,238	1,122,873	--[1]
Occupancy Rate	94.0%	100.0%	99.7%	--[1]
Rent Overall/SF/Yr.	--[1]	--[1]	--[1]	--[1]

NOTE: [1] NO DATA REPORTED TO COSTAR FOR THIS SUBAREA/TIME PERIOD.
SOURCE: COSTAR REALTY INFORMATION INC., 2019.

Employment Growth Projections

In addition to the existing commercial real estate market, employment growth projections produced by the Association of Bay Area Governments (ABAG) form the basis of future commercial space needs to support projected employment growth.

The planning timeframe for the General Plan Update is 2020 to 2040, so the employment projections by sector and the resulting commercial space need estimate, shown in the tables below, focus only on the 2020 to 2040 timeframe. ABAG's projections of employed residents and jobs through 2040 for the City of Pittsburg and Contra Costa County are presented in Table 10.

ABAG's projections for growth in employed residents between 2020 to 2040 are quite strong for both the city and the county, with a projected increase of 14.2% for the city and 12.9% for the county. Total job projections are even stronger for both the city and county, with a projected increase of 17.1% for the city and 20.2% for the county. ABAG projects Pittsburg will see a very minor decrease in employed residents between 2020 and 2030 (0.6% decline by 2025 and 1.8% decline by 2030). However, the number employed residents between 2030 and 2040 is projected to greatly increase. As shown in Figure 8, the number of employed residents and total jobs in the city are projected to increase at similar rates between 2020 and 2040.

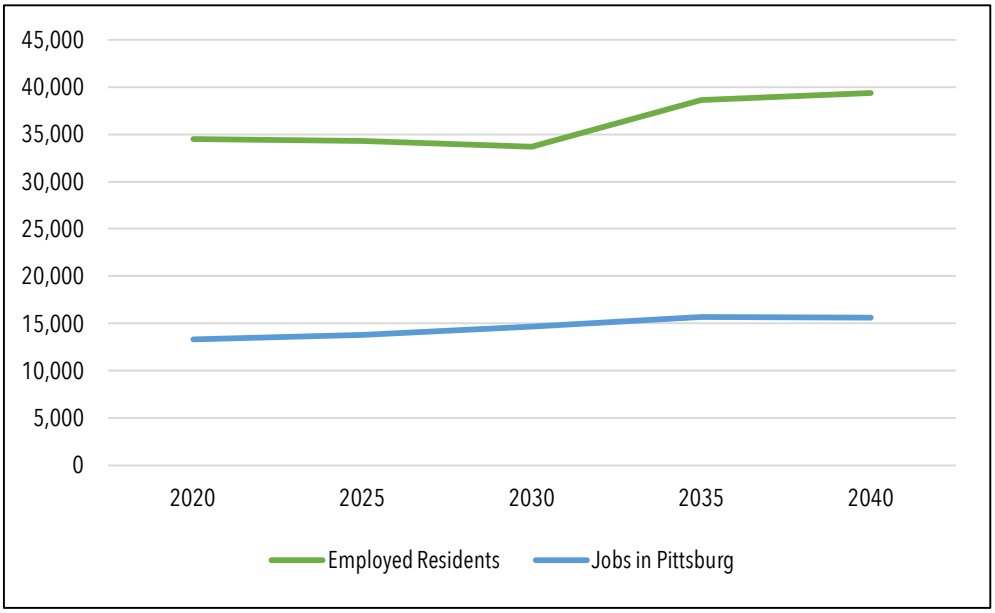
Table 10 shows that the number of jobs in the City will increase over the next 20 years. However, it also shows the number of jobs in the City will remain significantly less than the number of employed residents. In 2020, 13,330 jobs are projected in the City compared to 34,495 employed residents. This trend is expected to continue through 2040, when the City is projected to have 15,615 jobs and 39,380 employed residents. These numbers indicate that Pittsburg's workforce (employed residents) will need to leave Pittsburg for work opportunities as local jobs available are not projected to meet the number of employed residents.

Table 10: Employed Resident and Job Projections: Pittsburg and County - 2020-2040

Projections	City of Pittsburg		Contra Costa County	
Employed Residents	Number	Percent Change	Number	Percent Change
2020	34,495	N/A	589,810	N/A
2025	34,280	-0.6%	617,185	4.6%
2030	33,660	-1.8%	633,830	2.7%
2035	38,615	14.7%	655,135	3.4%
2040	39,380	2.0%	665,875	1.6%
2020 to 2040 Projected Change	*4,885*	*14.2%*	*76,065*	*12.9%*
Jobs in Pittsburg	Number	Percent Change	Number	Percent Change
2020	13,330	N/A	414,290	N/A
2025	13,800	3.5%	423,845	2.3%
2030	14,675	6.3%	458,255	8.1%
2035	15,690	6.9%	483,810	5.6%
2040	15,615	-0.5%	498,115	3.0%
2020 to 2040 Projected Change	*2,285*	*17.1%*	*83,825*	*20.2%*

Source: Association of Bay Area Governments, Plan Bay Area Projections 2040, 2018.

FIGURE 8: PITTSBURG EMPLOYED RESIDENTS AND JOBS IN PITTSBURG - 2020-2040



SOURCE: ASSOCIATION OF BAY AREA GOVERNMENTS, PLAN BAY AREA PROJECTIONS 2040, 2018.

Figure 9 shows the inflow and outflow of jobs based on 2015 data collected by the U.S. Census Bureau. According to the bureau's data, 11,640 workers come into the City for employment. Out of all employed Pittsburg residents, 2,598 work within Pittsburg and 25,183 work outside the City.

FIGURE 9: CITY OF PITTSBURG INFLOW AND OUTFLOW OF JOBS - 2015



SOURCE: U.S. CENSUS ON THE MAP JOB COUNTS, 2015.

Economic and Real Estate Perceptions

To augment the data presented in this report and to provide context regarding the City's economic conditions, New Economics & Advisory toured the City of Pittsburg and conducted stakeholder interviews to gather local insights about local business, land development, and commercial real estate conditions. Through its interviews and industry knowledge, New Economics identified the following challenges and opportunities related to the City's economic conditions.

Challenges

- Despite significant infrastructure improvements, State Route 4 continues to experience traffic levels that are problematic for existing businesses that rely on this highway to deliver items to customers and/or attract employees from longer distances. Traffic levels are also a deterrent for attracting logistics-related industrial users that are currently active in the Bay Area and Central Valley.
- The City's current configuration and demographic profile are restricting the ability to sustain existing retailers and attract new, experience-oriented retailers. The rise of e-commerce is placing additional pressure on traditional retailers to seek higher-income and higher-density areas, while new retail emphasizes experiences and services (such as gyms) that cannot be purchased on-line.
- The location of the Delta to the north and mountains to the south creates a linear population base for Pittsburg that prevents larger retailers from enjoying the more densely populated "radius" shape of customers available in other East Bay cities. In addition, as one of the most affordable cities in the Bay Area, Pittsburg's price points provide an important source of housing for workers who commute to relatively low-paying jobs. However, these residents also have lower levels of disposable income compared to residents of other East Bay cities.
- Multiple stakeholders reported that a large portion of the City's existing workforce commutes to areas all over Silicon Valley. They also reported that workers at the City's largest businesses tend to remain onsite during rest and lunchbreaks. This combined dynamic hurts local retail and commercial businesses that need more daytime business to remain stable in the long run.
- The City's geographic location and current demographics do not yet support demand for traditional office space. In addition, Class A and Class B office users in the East Bay continue to prefer locations on or accessible to Interstate Highway 80 or 880.
- Existing rents are too low for most new commercial or mixed-use development to pencil. This financial reality will continue to limit new development in the Railroad and Garcia subareas.
- Multiple stakeholders identified the City's zoning code as a barrier to economic development and felt changes were necessary to provide additional flexibility and maximize opportunities on key catalyst sites. For example, stakeholders suggested increasing the number of allowable commercial service uses in the Downtown to help increase foot traffic and support more traditional retail shops and restaurants.
- Longer term, new development at the Concord Naval Weapons Station could be a more competitive site for residential, commercial, and/or industrial development in the East Bay.

Opportunities

- There is ongoing demand for small floorplate industrial/commercial uses, some of which include yard space. Sought-after space generally includes 2,000 to 8,000 square feet that would be attractive to entrepreneurs. As rents increase, developers will be able to add this type of product to the market.

- If rental rates throughout Silicon Valley continue to increase, places like Pittsburg will become increasingly attractive for start-up and/or e-commerce office locations. The Railroad Avenue and Downtown subareas could be attractive locations for these types of users.
- Although the city cannot grow outwards, a number of large infill sites could accommodate substantial job and/or residential growth, including the former golf course site, power line corridor (if reconfigured over time), waterfront parcels, vacant retail land, etc.
- The City has a proven track record of thinking creatively around unique opportunities, and multiple stakeholders expressed optimism about working with City staff to resolve technical issues and envision longer-term projects.
- Smaller, more specialized retail stores that cater to the local community continue to play an important role in stabilizing existing retail centers and providing important goods and services in the City. Additional residential growth can help to sustain these retailers.
- Pittsburg is the only East Bay city in Contra Costa County with two BART stations. Over time, this higher level of access to the rest of the larger region has the potential to attract more workers to Pittsburg and increase the sales price of housing in the City.
- If the City can attract more jobs to Pittsburg that match the City's current workforce, it will help reduce or eliminate commutes and sustain local retail and service businesses.

STAKEHOLDERS INTERVIEWED (MAY-JUNE 2019)

Kolette Simonton, City of Pittsburg (Economic Development)

Cory Anderson, USS Posco (Steel Manufacturing Company)

Scott Bertrand, Cushman Wakefield (Real Estate Brokerage)

Monica Couture, Pittsburg Chamber of Commerce (Economic and Workforce Development for Small and Large City Businesses)

Kris Hagar, Newmark Knight Frank (Real Estate Brokerage)

Doug Messner, Sierra Pacific Properties (Property Development and Management Company)

Sean O'Reilly, Transbay Cable (Utility Joint Venture Company with City)

Louis Parsons, Discovery Builders (Developer/Home Builder)

PJ Quesada, Ramar Foods (Food Manufacturing Company, Large Employer)

Jobs Capture / Workspace Demand

The projected number of employed residents shown in Table 10 indicate that the City's workforce is anticipated to continue growing. As previously discussed, the City is not capturing sales in many retail spending categories indicating there is capacity for additional retail opportunities. Further, the City's office, retail, and industrial spaces generally have high occupancies and discussions with the business community have indicated the need for additional employment-generating uses and space. Table 10 and Figure 8 both illustrate that although the City has a strong employment base, the City exports many of its workers.

Table 11 identifies the net jobs projected to be exported during 2020 through 2040, based on the ABAG's projections. Were the City to seek to expand employment opportunities to capture 15% of the City's residents that do not have work options in the City, the City would need to ensure adequate land to accommodate workspace for approximately 3,565 more jobs by 2040. While the specific breakdown of job types and associated type of development (office space, retail and services space, and industrial space) is not known at this time, it is anticipated that this increase in employment would require approximately 68 acres of land designated for employment-generating uses. Were the City to seek to capture 25% of the projected increase in its employed residents, the approximately 5,941 jobs would require approximately 114 acres of land designated for employment-generating uses.

The Envision Pittsburg Existing Conditions Report indicates that there are more than 144 acres of land available for employment-generating uses, based on a review of sites designated as vacant by the County Assessor [Figure 1.1-4] and the associated General Plan Land Use Map [Figure 1.1-1]). While there appear to be adequate sites to accommodate employment-generating uses, the Envision Pittsburg Land Use Alternatives Report will further assess the capacity and appropriateness of vacant and underutilized sites to accommodate projected job growth as well as the types of commercial and industrial uses that are needed and/or desired to serve the community.

Table 11: Net Jobs Exported compared to Potential Jobs Capture and Associated Jobs Acreage - 2020-2040

Year	Employed Residents	Jobs in City	Net Jobs Exported	15% Capture of Jobs Exported		25% Capture of Jobs Exported	
				Jobs	Acres[1]	Jobs	Acres[1]
2020	34,495	13,330	*21,165*	3,175	60.7	5,291	101.2
2025	34,280	13,800	*20,480*	3,072	58.8	5,120	97.9
2030	33,660	14,675	*18,985*	2,848	54.5	4,746	90.8
2035	38,615	15,690	*22,925*	3,439	65.8	5,731	109.6
2040	39,380	15,615	*23,765*	3,565	68.2	5,941	113.7

Note: [1] Projected acreages are based on an average of 1 employee per 500 SF of developed office, commercial, and industrial space and an average floor area ratio (amount of developed building space per acre of land) of 0.6.
Source: Association of Bay Area Governments, 2018; De Novo Planning Group, 2019.

Appendix B:

Cluster Assessment

PRELIMINARY CLUSTERS ASSESSMENT
CITY OF PITTSBURG, CA
OCTOBER 29, 2019



A2B Consulting Group (A2B) has conducted a cursory Clusters assessment of Pittsburg utilizing the USEDA/Harvard Cluster mapping project website (*info based on 2016 data ~ clustermapping.us*); the Clusters research contained in the Northern Waterfront Economic Development Initiative ~ Strategic Action Plan (*January 8, 2019; the Plan included information gathered from the USEDA/Harvard Cluster Mapping website*) for Contra Costa County; and the California Employment Development Department database to create a **very rough** Cluster assessment and opportunities guide for Pittsburg's economic development efforts. While this information is useful for developing targeted industries lists for the recruitment, it should **not** be considered a full cluster assessment of Pittsburg.

BACKGROUND

Regional economies are the building blocks of U.S. competitiveness. The nation's ability to produce high-value products and services depends on the creation and strengthening of regional clusters of industries that become hubs of innovation. Clusters enhance productivity and spur innovation by bringing together technology, information, specialized talent, competing companies, academic institution, and other organizations. Close proximity, and the accompanying tight linkages, yield better market insights, more refined researches agendas, larger pools of specialized talent, and faster deployment of new knowledge.

Clusters exist where the economic activities in a set of related industries in a given location reach critical mass. It is at this point that local linkages begin to have a meaningful impact on the performance of companies, and that important opportunities for local collaboration among firms and other organizations in the relevant fields arise. Clusters emerge naturally in the market process, providing productivity benefits to companies as they grow in size. They become attractive to companies looking for a new location and grow through the performance of companies already located there. Companies in clusters gain access to specialized regional suppliers, service providers, and institutions, and can also benefit from deep pools of skilled employees and shared infrastructure dedicated to their needs.

Unlike an industry sector, industry clusters represent a network of interconnected firms and industries that are linked through shared resources and technologies based on a common set of economic activities. Firms in similar and related industries draw a productive advantage in being geographically located near each other because they have common labor pools and supply chain needs. "*Driver industries are linked to supplier and input industries, support industries, and customers."* A myriad of service providers also participate in the manufacturing value chain, including engineers, market researchers, attorneys, accountants, research organizations (Universities, National Labs, etc.), toolmakers, equipment suppliers, transport and logistics providers, and consultants.

Target Industry Cluster Identification

Standardized national industry clusters have been defined, which allow comparisons and performance measurement across regions. Regionally defined industry clusters are often not represented in the standardized national definitions. Region-specific industry clusters can be identified based on employment concentrations, industry size, and growth rates. A regional industry cluster exists when the level of employment is overrepresented relative to the national average. This overrepresentation signals the presence of a critical mass at which cluster dynamics begin to occur. Strong industry clusters are defined as those where the location quotient (LQ) puts them into the leading 25% of regions across the U.S. in their respective cluster category. LQ measures the specialization or concentration of a cluster in a particular location relative to the national average. Measured by the value of a cluster's location quotient, each regional economy has a particular pattern of specialization in a number of clusters, which drives productivity and growth in the economy.

In addition, cluster strength is measured by "employment specialization or share". Each regional economy has a particular pattern of specialization in a number of clusters, which drives productivity and growth in the economy. Economic areas with ***High Employment Specialization*** in a cluster meet these criteria:

- Primary criterion: LQ of Cluster Employment must be greater than the 75th percentile when measured across all Economic Areas.

- Secondary criterion to differentiate marginal cases: LQ of Cluster Employment must be greater than 1.0, Share of National Cluster Employment greater than the 25th percentile, and Share of National Cluster Establishments greater than the 25th percentile.

Economic areas with ***High Employment Share*** in a cluster meet this criterion:

- Share of National Cluster Employment must be greater than the 90th percentile when measured across all Economic Areas.

Source: Cluster Mapping website

Regional economies are made up of two types of clusters, each with different patterns of geographic presence and different competitive dynamics. **Traded clusters** are groups of related industries that serve markets beyond the region in which they are located. They are free to choose their location of operation (unless the location of natural resources drives where they can be) and are highly concentrated in a few regions, tending to only appear in regions that afford specific competitive advantages. Since traded clusters compete in cross-regional markets, they are exposed to competition from other regions. Examples of traded clusters include Financial Services in New York City, Information Technology in Silicon Valley, and Video Production and Distribution in Los Angeles. Traded clusters are the "engines" of regional economies; without strong traded clusters it is virtually impossible for a region to reach high levels of overall economic performance.

Local clusters, in contrast, consist of industries that serve the local market. They are prevalent in every region of the country, regardless of the competitive advantages of a particular location. As a result, a region's employment in local clusters is usually proportional to the population of that region. Moreover, the majority of a region's employment comes from jobs in local clusters. Since local clusters are tied to the regions in which they are located, they are not directly exposed to competition from other regions. Examples include Local Entertainment such as miniature golf and movie theaters, Local Health Services such as drug stores and hospitals, and Local Commercial Services such as dry-cleaners.

REVIEW OF USEDA/HARVARD CLUSTER MAPPING PROJECT

Based on a review of Contra Costa County data from 2006 and 2016, there has been some shifts in the strongest clusters within the County during that decade. These shifts appear to have resulted in greater concentrations in the strongest sectors: Business Services and Financial Services.

2006 Contra Costa County Clusters Strongest Traded Clusters	2016 Contra Costa County Clusters Strongest Traded Clusters
90%+specialization	*90%+specialization*
Business Services	Business Services
Financial Services	Financial Services
Insurance	
Video Production	
75%+ Specialization	*75%+ Specialization*
IT	IT
Communication	Communication
Education	Insurance
Environmental Services	Performing Arts
	Environmental Services

There was some diversification during this period, albeit small, in areas of less specialization (under 75%)

2006 Contra Costa County Clusters	2016 Contra Costa County Clusters
Other specialization	*Other specialization*
Performing Arts	Environmental Services
Nonmetal Mining	Construction
Construction	Downstream Chemicals
Upstream Chemicals	Upstream Chemicals
Oil & Gas	Upstream Metals
	Oil & Gas

Based on a search of current California Employment Department company data by NAICS code showed Pittsburg has very little in the way of companies in either the 75%+ and 90%+ specialization compared to the rest of Contra Costa County.

<u>Business Services:</u>

4 Engineering Firms
3 Custom Computer programming (2 Home based)
3 Computer Systems (2 are Bellici and 1 home based)
3 Data hosting (1 home based)

<u>Financial Services:</u>
7 banks

<u>IT:</u>
0 firms

<u>Communications:</u>
4 Other communications (2 are home based)

There are more Pittsburg firms within the “Other” specialization categories (less than 75% specialization) and several of these appear to have higher employee counts. (NOTE: Employment data can volatile.)

Downstream Chemicals:
Praxair ~ 20-50 FTE
Criterion Catalyst ~ 100-250 FTE
Generon ~ 20-50 FTE

Construction:
8 firms including Irish Construction, Brentwood Ready Mix and CEMCO (construction steel)
CEMCO ~ 50-100 FTE
Cemcon Inc. 100-250 FTE

Environmental Svcs:
Contra Costa Waste 20-50 FTE
Pittsburg Disposal 5-9 FTE

From this research, Pittsburg appears to have relatively few firms within the strongest clusters present in Contra Costa County. Pittsburg does have strong employment in firms that are in sectors whose numbers are on par with other regions of the country, and by themselves may not offer much in the way of cluster dynamic benefits.

There is also some level of cluster relationships at work within Pittsburg relative to the stronger Clusters in Contra Costa County (See Attachment #2 Cluster Maps, 2006 and 2016). For example, cluster relationships exist between the Construction (Pittsburg) and Oil & Gas (County) clusters. Recently conducted Pittsburg Business Retention visits indicate the this relationship does continue to exist. While there is relative lack of presence in key Contra Costa County Clusters, there is still significant employment/ company presence in Pittsburg within core manufacturing sectors (steel & metals, chemicals, construction materials).

NORTHERN WATERFRONT PLAN

The Northern Waterfront Strategic Plan (Plan) confirmed several aspects of the USEDA/Harvard work, in terms of the Contra Costa County economic strengths. A2B research of this information confirmed little presence in

Pittsburg of the stronger Cluster categories. The Plan also identified potential/growing Clusters and targeted Industry Sectors in the County. Pittsburg is well represented in one of these potential/growing targeted sectors:

"While emerging industry clusters are not easily identified through traditional analytical methods, they can be identified through qualitative research and intelligence based on local industry knowledge. Important considerations for determining the presence of emerging industry clusters include the presence of research institutions, innovation infrastructure, access to venture capital, and the growth of new occupations. Shift-share analysis can be employed to identify industries that are expected to grow faster than the national economy and industry mix. Six-digit NAICS codes were used to identify the core industries in the Northern Waterfront based on the number of core companies, employment size, degree of specialization, growth trends, and a strong regional presence in the East Bay. Five potential target industry clusters were identified including: 1) Biomedical/Biotechnology/life sciences; 2) Food & Beverage Processing; 3) Advanced Materials & Diversified Manufacturing; 4) Advanced Transportation Technologies; and 5) Clean Technology."

Northern Waterfront Economic Development Initiative, Page 28

The Plan further identified Advanced Materials & Diversified Manufacturing as a growth sector:

"*The Northern Waterfront can develop a vibrant economy by attracting and growing manufacturing firms in emerging new industries in the advanced manufacturing sector*."

Northern Waterfront Economic Development Initiative, Page 28

In researching the presence of firms within Pittsburg, the Advanced Materials & Diversified Manufacturing cluster has a significant presence both in the numbers of firms and employment levels. Nearly 30 firms in Pittsburg are classified (NAICS) within this sector (See Attachment #1). This is a larger presence that the other four Targeted Clusters combined:

- Food & Beverage has 6 firms (2 home based ~ appear to be distributors; and potentially more non-home based firms but data miscoded in EDD data base)

- Cleantech has 9 with 3 of those firms being consulting engineering services.

- Biomed/Biotech has 2 net (two more that appear to be mis-coded to this category that may belong in Advanced Materials & Manufacturing)

There are no Advanced Transportation firms currently in Pittsburg.

ADVANCED MATERIALS & MANUFACTURING

The NAICS coding for companies in this sector matches those in Silicon Valley and the greater East bay region that are experiencing a "price out" in terms of real estate costs. Due to land purchases by such firms as Facebook, Google (Alphabet) and Apple, lease rates and per square foot purchases prices have increased by 150%, and in some lease instances nearly tripled in the last 2-3 years. Many, if not most, of the firms in this NAICS classification are family owned under 100 FTE operations. According to sources that have spoken to A2B, this has prompted a marked increase in interest to relocate out of Silicon Valley to more reasonable real estate markets in the area. Pittsburg can potentially capture some of that interest with the right marketing approach and attractive real estate pricing (both lease and purchase).

FOOD & BEVERAGE PROCESSING

As previously stated, there are some issues with the NAICS coding for Pittsburg firm operating in this Sector. For example:

- Ramar Foods, EDD NAICS coded as Meat/Meat Products
- Orientex Foods, A division of Ramar, NAICS coded as Ice Cream/Frozen desserts
- Tulkoff Food Products, EDD NAICS coded as Supermarket
- Salsa 4 You, Not in EDD database

In addition, there are several instances of ice cream related firms in Pittsburg (Business license, City staff knowledge). However little to no evidence within EDD or other databases of whether these firms are manufacturers or distributors. One company visit in Pittsburg determined that 6 business licensed firms, all at the same location, we being served by a single ice cream distributor at said location, no manufacturing presence.

Clarification through Business Retention visits to all potential Pittsburg based Food & Beverage Processing firms will give a clearer picture of the type of food processing activity in Pittsburg and the potential for Cluster development as recommended in the Plan.

CLEANTECH

Pittsburg firms within this Sector consist primarily around waste disposal and recycling centers. One outlying firm is K2 Pure Solutions, which operates within the primary 4-digit NAICS sector for Cleantech, but appears to be miscoded by EDD at the 6-digit sector as “Other” rather than a Targeted sector set forth in the Plan. Opportunities for Cluster development within this sector should focus on reuse and repurposing of “feedstock” materials collected at these locations for manufacturers. More research is needed into available feedstocks and volumes in order to identify potential business recruitment Targets as well as potential Cluster development

RECOMMENDATIONS

1. Request Cluster data from Northern Waterfront team in order to conduct more detailed Pittsburg based Cluster assessment

2. Conduct a more through assessment of the Food Processing firms existing in Pittsburg to determine actual Cluster presence as well as determine condition needed to grow this Cluster and potential recruitment Targets

3. Conduct a more through assessment of the Cleantech firms existing in Pittsburg to determine actual Cluster presence as well as determine condition needed to grow this Cluster and potential recruitment Targets both within the Sector as well as users of available “feedstocks”

4. Focus Business Retention outreach on Pittsburg companies within the Advanced Materials/Manufacturing, Cleantech and Food Processing sectors in the short term (based upon results of further assessments stated in #3 above)

5. Begin outreach to Advanced Materials companies in SV and East Bay:

    A. Work with owners/brokers of vacant or underutilized industrial buildings/properties in Pittsburg regarding competitive lease/ purchase packages for SV/East Bay Advanced materials companies

    B. Consider financial incentives for such firms that are real estate based to further improve real estate attractiveness (tie to FTE or lease/purchase terms)

6. Review entitlement processes for this Cluster to insure buildings/sites are or can be filled with a little processing time as possible

ATTACHMENT #1
LIST OF ADVANCED MATERIALS MANUFACTURING FIRMS IN PITTSBURG

BRENTWOOD READY MIX ~ 10-20 FTE
CONCRETE VISIONS ~ 1-4 FTE
MARBLE SHOP ~ 5-9 FTE
AGRA TECH INC ~ 10-20
JOEL HEWATT CO. ~ 20-50 FTE
SIGNODE SUPPLY ~ 5-9 FTE (2nd LOCATION IN BAY POINT)
DIVERSE STEEL ~ 10-20 FTE
CONCORD IRON WORKS ~ 50-100
ALL SPECIALTY SHEET METAL ~ 20-50 FTE
PITTSBURG IRON WORKS ~ 1-4 FTE
DELTA MACHINE SHOP ~ 1-4 FTE (2nd BIZ AT SAME ADDRESS)
HAMMOND ENTERPRISE ` 20-50 FTE (2nd BIZ AT SAME ADDRESS)
ACCURATE POLYCOAT ~ 1-4 FTE
GLOBAL ECOTECH ~ 1-4 FTE
ROLL TECHNOLOGY ~ 5-9 FTE
BISHOP-WISECARVER ~ 50-100 FTE
BLACK DIAMOND MANF. ~ 1-4 FTE
CEMCO ~ 50-100 FTE
ALLIED CRANE ~ 20-50 FTE
BETO LIMON ~ 1-4 FTE
STEWART'S ~ 20-50 FTE
DRIVE LINE SVCS ~ 1-4 FTE
PRAXAIR ~ 10-20 FTE (2 OTHER BIZ UNITS AT SAME ADDRESS)
ALIB INC ~ 5-9 FTE

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of a City Council Resolution to Accept Grant Funds from Keller Canyon Mitigation Fund for FY 21/22 Recreation Programs

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

The City of Pittsburg has been awarded grants totaling $10,000 supporting recreation programs benefiting programs offered at the City's Senior Center. Staff is requesting adoption of a resolution to accept the grants and allocate the funds to the Fiscal Year 2021-22 Recreation budget.

FISCAL IMPACT

If approved, the resolution will authorize allocation of the $10,000 grant funds to the Fiscal Year 2021-22 Recreation program budget (Fund 110). No additional expenditure from the General Fund is required for the receipt of the grants since no matching funds are required.

RECOMMENDATION

City Council adopt the attached resolution authorizing acceptance of the grants and allocation of the additional $10,000 to the Fiscal Year 2021-22 Recreation budget.

BACKGROUND

Staff applied for and was rewarded grant funding from the Keller Canyon Mitigation Trust Fund to support the production of a quarterly newsletter. This fund is administered by Contra Costa County.

SUBCOMMITTEE FINDINGS

This item was not brought before a subcommittee.

STAFF ANALYSIS

The Keller Canyon Mitigation Trust Fund grant will support specialized recreation services for senior citizens.

The Community Is Key program was approved for a $10,000 grant to defray the production and mailing costs for the 2021-22 “Senior Center Newsletter” three times a year promoting senior citizen programs and activities.

ATTACHMENTS: Resolution
Interagency Agreement Number BO# 11

Report Prepared By: Kolette Simonton, Assistant Director of Economic Development and Recreation

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Acceptance of Grant Funds from)
Keller Canyon Mitigation Fund for) RESOLUTION NO. 22-
FY 21/22 Recreation Programs)

WHEREAS, the City applied for and was awarded three grants totaling $10,000 from the Keller Canyon Mitigation Fund, administered by Contra Costa County, to support recreation programs; and

WHEREAS, the Community Is Key program was approved for a $10,000 grant to defray mailing costs for the 2021-22 “Senior Center Newsletter” three times a year promoting senior citizen programs and activities; and

WHEREAS, the City wishes to accept these grants and allocate the funds to the Fiscal Year 2021-22 Parks and Recreation Department budget.

NOW, THEREFORE, the City Council DOES RESOLVE as follows:

Section 1. The recitals set forth above are true and correct statements and are hereby incorporated in conjunction with the staff report.

Section 2. The City Council adopts this Resolution accepting three grants totaling $10,000 from the Keller Canyon Mitigation Grant Fund and allocating the funds to the Parks and Recreation Department approved budget for Fiscal Year 2021/22.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of January, 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

Contra Costa County
Standard Form A-4
Revised 2002

INTERAGENCY AGREEMENT
(Agency Provides Services)

Number BO#11
Fund/Org# 1581
Account # 2310
Other #

1. **Contract Identification.**
   Department: Department of Conservation and Development
   Subject: Interagency Agreement between Contra Costa County Department of Conservation and Development and Agency named below for Community is Key;
   Board Order #11

2. **Parties.** The County of Contra Costa, California (County), for its Department named above, and the following named Agency mutually agree and promise as follows:

   Agency: City of Pittsburg (hereinafter "Agency")
   Capacity: A public agency
   Address: 65 Civic Drive; Pittsburg, CA 94565

3. **Term.** The effective date of this Agreement is July 1, 2021, and it terminates on June 30, 2022, unless sooner terminated as provided herein.

4. **Payment Limit. County's** total payments to Agency under this Agreement shall not exceed $10,000.00.

5. **County's Obligations. County** shall pay Agency for its provision of the services as set forth in the attached Payment Provisions which are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

6. **Agency's Obligations. Agency** shall provide those services and carry out that work described in the Service Plan attached hereto which is incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

7. **General and Special Conditions.** This Agreement is subject to the General Conditions and Special Conditions (if any) attached hereto, which are incorporated herein by reference.

8. **Project.** This Agreement implements in whole or in part the following described Project, the application and approval documents of which are incorporated herein by reference: See attached Service Plan.

9. **Legal Authority.** This Agreement is entered into under and subject to the following legal authorities:
   Government Code 26227

10. **Signatures.** These signatures attest the parties' agreement hereto:

COUNTY OF CONTRA COSTA, CALIFORNIA

BOARD OF SUPERVISORS	ATTEST: Clerk of the Board of Supervisors
By _____ Chairman/Designee	By _____ Deputy

AGENCY

By _____ (Signature of authorized Agency representative)	By _____ (Signature of authorized Agency representative)
Joy Walker Recreation Supervisor (Print name and title A)	_____ (Print name and title B)

Contra Costa County
Standard Form L-2
Revised 2014.2

ACKNOWLEDGMENT/APPROVALS
(Purchase of Services – Long Form)

Number: BO #11

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF CONTRA COSTA)

On _____ (Date),

before me, _____ (Name and Title of the Officer),

personally appeared, _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS MY HAND AND OFFICIAL SEAL.

_____
Signature of Notary Public

Place Seal Above

ACKNOWLEDGMENT (by Corporation, Partnership, or Individual)
(Civil Code §1189)

APPROVALS

RECOMMENDED BY DEPARTMENT

By: _____
Designee

FORM APPROVED BY COUNTY COUNSEL

By: _____
Deputy County Counsel

APPROVED: COUNTY ADMINISTRATOR

By: _____
Designee

Contra Costa County
Standard Form P-1
Revised 2008

PAYMENT PROVISIONS
(Fee Basis Contracts - Long and Short Form)

Number
BO #11

1. **Payment Amounts.** Subject to the Payment Limit of this Contract and subject to the following Payment Provisions, County will pay Contractor the following fee as full compensation for all services, work, expenses or costs provided or incurred by Contractor:

   [Check one alternative only.]

   ☐ a. $ monthly, or

   ☐ b. $ per unit, as defined in the Service Plan, or

   ☐ c. $ after completion of all obligations and conditions herein.

   ☒ d. Other: On a reimbursement basis for costs specified in the Service Plan.

2. **Payment Demands.** Contractor shall submit written demands for payment on County Demand Form D-15 in the manner and form prescribed by County. Contractor shall submit said demands for payment no later than 30 days from the end of the month in which the contract services upon which such demand is based were actually rendered. Upon approval of payment demands by the head of the County Department for which this Contract is made, or his designee, County will make payments as specified in Paragraph 1. (Payment Amounts) above.

3. **Penalty for Late Submission.** If County is unable to obtain reimbursement from the State of California as a result of Contractor's failure to submit to County a timely demand for payment as specified in Paragraph 2. (Payment Demands) above, County shall not pay Contractor for such services to the extent County's recovery of funding is prejudiced by the delay even though such services were fully provided.

4. **Right to Withhold.** County has the right to withhold payment to Contractor when, in the opinion of County expressed in writing to Contractor, (a) Contractor's performance, in whole or in part, either has not been carried out or is insufficiently documented, (b) Contractor has neglected, failed or refused to furnish information or to cooperate with any inspection, review or audit of its program, work or records, or (c) Contractor has failed to sufficiently itemize or document its demand(s) for payment.

5. **Audit Exceptions.** Contractor agrees to accept responsibility for receiving, replying to, and/or complying with any audit exceptions by appropriate county, state or federal audit agencies resulting from its performance of this Contract. Within 30 days of demand, Contractor shall pay County the full amount of County's obligation, if any, to the state and/or federal government resulting from any audit exceptions, to the extent such are attributable to Contractor's failure to perform properly any of its obligations under this Contract.

Initials: _____ _____
Contractor County Dept.

Contra Costa County
Standard Form L-5
Revised 2016

GENERAL CONDITIONS
(Purchase of Services - Long Form)

1. **Compliance with Law**. Contractor is subject to and must comply with all applicable federal, state, and local laws and regulations with respect to its performance under this Contract, including but not limited to, licensing, employment, and purchasing practices; and wages, hours, and conditions of employment, including nondiscrimination.

2. **Inspection**. Contractor's performance, place of business, and records pertaining to this Contract are subject to monitoring, inspection, review and audit by authorized representatives of the County, the State of California, and the United States Government.

3. **Records**. Contractor must keep and make available for inspection and copying by authorized representatives of the County, the State of California, and the United States Government, the Contractor's regular business records and such additional records pertaining to this Contract as may be required by the County.

   a. **Retention of Records**. Contractor must retain all documents pertaining to this Contract for five years from the date of submission of Contractor's final payment demand or final Cost Report; for any further period that is required by law; and until all federal/state audits are complete and exceptions resolved for this Contract's funding period. Upon request, Contractor must make these records available to authorized representatives of the County, the State of California, and the United States Government.

   b. **Access to Books and Records of Contractor, Subcontractor**. Pursuant to Section 1861(v)(1) of the Social Security Act, and any regulations promulgated thereunder, Contractor must, upon written request and until the expiration of five years after the furnishing of services pursuant to this Contract, make available to the County, the Secretary of Health and Human Services, or the Comptroller General, or any of their duly authorized representatives, this Contract and books, documents, and records of Contractor necessary to certify the nature and extent of all costs and charges hereunder.

   Further, if Contractor carries out any of the duties of this Contract through a subcontract with a value or cost of $10,000 or more over a twelve-month period, such subcontract must contain a clause to the effect that upon written request and until the expiration of five years after the furnishing of services pursuant to such subcontract, the subcontractor must make available to the County, the Secretary, the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents, and records of the subcontractor necessary to verify the nature and extent of all costs and charges thereunder.

   This provision is in addition to any and all other terms regarding the maintenance or retention of records under this Contract and is binding on the heirs, successors, assigns and representatives of Contractor.

4. **Reporting Requirements**. Pursuant to Government Code Section 7550, Contractor must include in all documents and written reports completed and submitted to County in accordance with this Contract, a separate section listing the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of each such document or written report. This section applies only if the Payment Limit of this Contract exceeds $5,000.

Contractor County Dept.

GENERAL CONDITIONS
(Purchase of Services - Long Form)

5. **Termination and Cancellation**.

   a. **Written Notice**. This Contract may be terminated by either party, in its sole discretion, upon thirty-day advance written notice thereof to the other, and may be cancelled immediately by written mutual consent.

   b. **Failure to Perform**. County, upon written notice to Contractor, may immediately terminate this Contract should Contractor fail to perform properly any of its obligations hereunder. In the event of such termination, County may proceed with the work in any reasonable manner it chooses. The cost to County of completing Contractor's performance will be deducted from any sum due Contractor under this Contract, without prejudice to County's rights to recover damages.

   c. **Cessation of Funding**. Notwithstanding any contrary language in Paragraphs 5 and 11, in the event that federal, state, or other non-County funding for this Contract ceases, this Contract is terminated without notice.

6. **Entire Agreement**. This Contract contains all the terms and conditions agreed upon by the parties. Except as expressly provided herein, no other understanding, oral or otherwise, regarding the subject matter of this Contract will be deemed to exist or to bind any of the parties hereto.

7. **Further Specifications for Operating Procedures**. Detailed specifications of operating procedures and budgets required by this Contract, including but not limited to, monitoring, evaluating, auditing, billing, or regulatory changes, may be clarified in a written letter signed by Contractor and the department head, or designee, of the county department on whose behalf this Contract is made. No written clarification prepared pursuant to this Section will operate as an amendment to, or be considered to be a part of, this Contract.

8. **Modifications and Amendments**.

   a. **General Amendments**. In the event that the total Payment Limit of this Contract is less than $200,000 and this Contract was executed by the County's Purchasing Agent, this Contract may be modified or amended by a written document executed by Contractor and the County's Purchasing Agent or the Contra Costa County Board of Supervisors, subject to any required state or federal approval. In the event that the total Payment Limit of this Contract exceeds $200,000 or this Contract was initially approved by the Board of Supervisors, this Contract may be modified or amended only by a written document executed by Contractor and the Contra Costa County Board of Supervisors or, after Board approval, by its designee, subject to any required state or federal approval.

   b. **Minor Amendments**. The Payment Provisions and the Service Plan may be amended by a written administrative amendment executed by Contractor and the County Administrator (or designee), subject to any required state or federal approval, provided that such administrative amendment may not increase the Payment Limit of this Contract or reduce the services Contractor is obligated to provide pursuant to this Contract.

9. **Disputes**. Disagreements between County and Contractor concerning the meaning, requirements, or performance of this Contract shall be subject to final written determination by the head of the county department for which this Contract is made, or his designee, or in accordance with the applicable procedures (if any) required by the state or federal government.

Contractor County Dept.

GENERAL CONDITIONS
(Purchase of Services - Long Form)

10. **Choice of Law and Personal Jurisdiction**.

    a. This Contract is made in Contra Costa County and is governed by, and must be construed in accordance with, the laws of the State of California.

    b. Any action relating to this Contract must be instituted and prosecuted in the courts of Contra Costa County, State of California.

11. **Conformance with Federal and State Regulations and Laws**. Should federal or state regulations or laws touching upon the subject of this Contract be adopted or revised during the term hereof, this Contract will be deemed amended to assure conformance with such federal or state requirements.

12. **No Waiver by County**. Subject to Paragraph 9. (Disputes) of these General Conditions, inspections or approvals, or statements by any officer, agent or employee of County indicating Contractor's performance or any part thereof complies with the requirements of this Contract, or acceptance of the whole or any part of said performance, or payments therefor, or any combination of these acts, do not relieve Contractor's obligation to fulfill this Contract as prescribed; nor is the County thereby prevented from bringing any action for damages or enforcement arising from any failure to comply with any of the terms and conditions of this Contract.

13. **Subcontract and Assignment**. This Contract binds the heirs, successors, assigns and representatives of Contractor. Prior written consent of the County Administrator or his designee, subject to any required state or federal approval, is required before the Contractor may enter into subcontracts for any work contemplated under this Contract, or before the Contractor may assign this Contract or monies due or to become due, by operation of law or otherwise.

14. **Independent Contractor Status**. The parties intend that Contractor, in performing the services specified herein, is acting as an independent contractor and that Contractor will control the work and the manner in which it is performed. This Contract is not to be construed to create the relationship between the parties, or between County and any Contractor employee, of agent, servant, employee, partnership, joint venture, or association. Neither Contractor, nor any of its employees, is a County employee. This Contract does not give Contractor, or any of its employees, any right to participate in any pension plan, workers' compensation plan, insurance, bonus, or similar benefits County provides to its employees. In the event that County exercises its right to terminate this Contract, Contractor expressly agrees that it will have no recourse or right of appeal under any rules, regulations, ordinances, or laws applicable to employees.

15. **Conflicts of Interest**. Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Contract, no person having any such interests will be employed by Contractor. If requested to do so by County, Contractor will complete a "Statement of Economic Interest" form and file it with County and will require any other person doing work under this Contract to complete a "Statement of Economic Interest" form and file it with County. Contractor covenants that Contractor, its employees and officials, are not now employed by County and have not been so employed by County within twelve months immediately preceding this Contract; or, if so employed, did not then and do not now occupy a position that would create a conflict of interest under Government Code section 1090. In

Contractor _____ County Dept. _____

addition to any indemnity provided by Contractor in this Contract, Contractor will indemnify, defend, and hold the County harmless from any and all claims, investigations, liabilities, or damages resulting from or related to any and all alleged conflicts of interest. Contractor warrants that it has not provided, attempted to provide, or offered to provide any money, gift, gratuity, thing of value, or compensation of any kind to obtain this Contract.

16. **Confidentiality**. To the extent allowed under the California Public Records Act, Contractor agrees to comply and to require its officers, partners, associates, agents and employees to comply with all applicable state or federal statutes or regulations respecting confidentiality, including but not limited to, the identity of persons served under this Contract, their records, or services provided them, and assures that no person will publish or disclose or permit or cause to be published or disclosed, any list of persons receiving services, except as may be required in the administration of such service. Contractor agrees to inform all employees, agents and partners of the above provisions, and that any person knowingly and intentionally disclosing such information other than as authorized by law may be guilty of a misdemeanor.

17. **Nondiscriminatory Services**. Contractor agrees that all goods and services under this Contract will be available to all qualified persons regardless of age, gender, race, religion, color, national origin, ethnic background, disability, or sexual orientation, and that none will be used, in whole or in part, for religious worship.

18. **Indemnification**. Contractor will defend, indemnify, save, and hold harmless County and its officers and employees from any and all claims, demands, losses, costs, expenses, and liabilities for any damages, fines, sickness, death, or injury to person(s) or property, including any and all administrative fines, penalties or costs imposed as a result of an administrative or quasi-judicial proceeding, arising directly or indirectly from or connected with the services provided hereunder that are caused, or claimed or alleged to be caused, in whole or in part, by the negligence or willful misconduct of Contractor, its officers, employees, agents, contractors, subcontractors, or any persons under its direction or control. If requested by County, Contractor will defend any such suits at its sole cost and expense. If County elects to provide its own defense, Contractor will reimburse County for any expenditures, including reasonable attorney's fees and costs. Contractor's obligations under this section exist regardless of concurrent negligence or willful misconduct on the part of the County or any other person; provided, however, that Contractor is not required to indemnify County for the proportion of liability a court determines is attributable to the sole negligence or willful misconduct of the County, its officers and employees. This provision will survive the expiration or termination of this Contract.

19. **Insurance**. During the entire term of this Contract and any extension or modification thereof, Contractor shall keep in effect insurance policies meeting the following insurance requirements unless otherwise expressed in the Special Conditions:

    a. **Commercial General Liability Insurance.** For all contracts where the total payment limit of the contract is $500,000 or less, Contractor will provide commercial general liability insurance, including coverage for business losses and for owned and non-owned automobiles, with a minimum combined single limit coverage of $500,000 for all damages, including consequential damages, due to bodily injury, sickness or disease, or death to any person or damage to or destruction of property, including the loss of use thereof, arising from each occurrence. Such insurance must be endorsed to include County and its officers and employees as additional insureds as to all services performed by Contractor under this Contract. Said policies must constitute primary insurance as to County, the state and federal governments, and their officers, agents, and employees, so that other insurance policies held by

Contractor _____ County Dept. _____

them or their self-insurance program(s) will not be required to contribute to any loss covered under Contractor's insurance policy or policies. Contractor must provide County with a copy of the endorsement making the County an additional insured on all commercial general liability policies as required herein no later than the effective date of this Contract. For all contracts where the total payment limit is greater than $500,000, the aforementioned insurance coverage to be provided by Contractor must have a minimum combined single limit coverage of $1,000,000.

b. **Workers' Compensation**. Contractor must provide workers' compensation insurance coverage for its employees.

c. **Certificate of Insurance**. The Contractor must provide County with (a) certificate(s) of insurance evidencing liability and worker's compensation insurance as required herein no later than the effective date of this Contract. If Contractor should renew the insurance policy(ies) or acquire either a new insurance policy(ies) or amend the coverage afforded through an endorsement to the policy at any time during the term of this Contract, then Contractor must provide (a) current certificate(s) of insurance.

d. **Additional Insurance Provisions.** No later than five days after Contractor's receipt of: (i) a notice of cancellation, a notice of an intention to cancel, or a notice of a lapse in any of Contractor's insurance coverage required by this Contract; or (ii) a notice of a material change to Contractor's insurance coverage required by this Contract, Contractor will provide Department a copy of such notice of cancellation, notice of intention to cancel, notice of lapse of coverage, or notice of material change. Contractor's failure to provide Department the notice as required by the preceding sentence is a default under this Contract

20. **Notices**. All notices provided for by this Contract must be in writing and may be delivered by deposit in the United States mail, postage prepaid. Notices to County must be addressed to the head of the county department for which this Contract is made. Notices to Contractor must be addressed to the Contractor's address designated herein. The effective date of notice is the date of deposit in the mails or of other delivery, except that the effective date of notice to County is the date of receipt by the head of the county department for which this Contract is made.

21. **Primacy of General Conditions**. In the event of a conflict between the General Conditions and the Special Conditions, the General Conditions govern unless the Special Conditions or Service Plan expressly provide otherwise.

22. **Nonrenewal**. Contractor understands and agrees that there is no representation, implication, or understanding that the services provided by Contractor under this Contract will be purchased by County under a new contract following expiration or termination of this Contract, and Contractor waives all rights or claims to notice or hearing respecting any failure to continue purchasing all or any such services from Contractor.

23. **Possessory Interest**. If this Contract results in Contractor having possession of, claim or right to the possession of land or improvements, but does not vest ownership of the land or improvements in the same person, or if this Contract results in the placement of taxable improvements on tax exempt land (Revenue & Taxation Code Section 107), such interest or improvements may represent a possessory interest subject to property tax, and Contractor may be subject to the payment of property taxes levied on such interest. Contractor agrees that this provision complies with the notice requirements of Revenue & Taxation Code Section 107.6, and waives all rights to further notice or to damages under that or any comparable statute.

Contractor County Dept.

24. **No Third-Party Beneficiaries**. Nothing in this Contract may be construed to create, and the parties do not intend to create, any rights in third parties.

25. **Copyrights, Rights in Data, and Works Made for Hire**. Contractor will not publish or transfer any materials produced or resulting from activities supported by this Contract without the express written consent of the County Administrator. All reports, original drawings, graphics, plans, studies and other data and documents, in whatever form or format, assembled or prepared by Contactor or Contractor's subcontractors, consultants, and other agents in connection with this Contract are "works made for hire" (as defined in the Copyright Act, 17 U.S.C. Section 101 et seq., as amended) for County, and Contractor unconditionally and irrevocably transfers and assigns to Agency all right, title, and interest, including all copyrights and other intellectual property rights, in or to the works made for hire. Unless required by law, Contractor shall not publish, transfer, discuss, or disclose any of the above-described works made for hire or any information gathered, discovered, or generated in any way through this Agreement, without County's prior express written consent. If any of the works made for hire is subject to copyright protection, County reserves the right to copyright such works and Contractor agrees not to copyright such works. If any works made for hire are copyrighted, County reserves a royalty-free, irrevocable license to reproduce, publish, and use the works made for hire, in whole or in part, without restriction or limitation, and to authorize others to do so.

26. **Endorsements**. In its capacity as a contractor with Contra Costa County, Contractor will not publicly endorse or oppose the use of any particular brand name or commercial product without the prior written approval of the Board of Supervisors. In its County-contractor capacity, Contractor will not publicly attribute qualities or lack of qualities to a particular brand name or commercial product in the absence of a well-established and widely accepted scientific basis for such claims or without the prior written approval of the Board of Supervisors. In its County-contractor capacity, Contractor will not participate or appear in any commercially produced advertisements designed to promote a particular brand name or commercial product, even if Contractor is not publicly endorsing a product, as long as the Contractor's presence in the advertisement can reasonably be interpreted as an endorsement of the product by or on behalf of Contra Costa County. Notwithstanding the foregoing, Contractor may express its views on products to other contractors, the Board of Supervisors, County officers, or others who may be authorized by the Board of Supervisors or by law to receive such views.

27. **Required Audit**.

    a. If Contractor expends $750,000 or more in federal grant funds in any fiscal year from any source, Contractor must provide to County, at Contractor's expense, an audit conforming to the requirements set forth in the most current version of Code of Federal Regulations, Title 2, Part 200, Subpart F.

    b. If Contractor expends less than $750,000 in federal grant funds in any fiscal year from any source, but the grant imposes specific audit requirements, Contractor must provide County with an audit conforming to those requirements.

    c. If Contractor expends less than $750,000 in federal grant funds in any fiscal year from any source, Contractor is exempt from federal audit requirements for that year except as required by Code of Federal Regulations, Title 2, Part 200, Subpart F. Contractor shall make its records available for, and an audit may be required by, appropriate officials of the federal awarding agency, the General Accounting Office , the pass-through entity and/or the County. If an audit is required, Contractor must provide County with the audit.

Contractor County Dept.

d. With respect to the audits specified in sections (a), (b) and (c) above, Contractor is solely responsible for arranging for the conduct of the audit, and for its cost. County may withhold the estimated cost of the audit or 10 percent of the contract amount, whichever is greater, or the final payment, from Contractor until County receives the audit from Contractor.

28. **Authorization**. Contractor, or the representative(s) signing this Contract on behalf of Contractor, represents and warrants that it has full power and authority to enter into this Contract and to perform the obligations set forth herein.

29. **No Implied Waiver**. The waiver by County of any breach of any term or provision of this Contract will not be deemed to be a waiver of such term or provision or of any subsequent breach of the same or any other term or provision contained herein.

Contractor County Dept.

City of Pittsburg - Senior Center
Community is Key

SERVICE PLAN

FY 2021/22 Keller Canyon Mitigation Fund (KCMF)
July 1, 2021 – June 30, 2022

Contractor: City of Pittsburg - Senior Center, BO #11

Contractor's Obligations: During the term of this Contract, Contractor will develop partnerships with outside agencies and provide programs and activities, which will be compiled into a quarterly newsletter.

Use of Keller Funds: The total cost of the project/program is $28,179.00. Keller funds shall be used for the following expenses:

Program Expenses:	$10,000.00

Reporting Requirements: Contractor shall submit reports on the progress and outcomes of the project/program on January 28, 2022, and July 29, 2022.

Other Requirements:
Contractor will ensure recognition of the Keller Canyon Mitigation Fund in providing services through this Agreement. As appropriate, activities, facilities, and items utilized pursuant to this Agreement shall be labeled as to funding source (e.g. Program is funded with Keller Canyon Mitigation Funds administered through Contra Costa County Supervisorial District 5).

The use of Keller Canyon Mitigation Funds for political advocacy is prohibited.

For programs serving youth, Contractor is strongly encouraged to participate in the annual Contra Costa County Supervisorial District 5 sponsored Youth Conference and Empowerment Summit.

Initials: _____ _____
Contractor County Dept.

CITY OF PITTSBURG
CITY COUNCIL/AGENCY CONCURRENT MEETING MINUTES

DATE: December 20, 2021

LOCATION: Council Chamber, City Hall, 65 Civic Avenue, Pittsburg, CA 94565

CITY COUNCIL.AGENCY MEMBERS
Holland Barrett White, Mayor/Chair
Shanelle Scales-Preston, Vice-Mayor/Chair
Juan Antonio Banales, Council/Agency Member
Jelani Killings, Council/Agency Member
Marilyn Craft, Council/Agency Member
S.L. Floyd, Agency Member
Annie Hill Herring, Agency Member

APPOINTED OFFICIALS
Garrett Evans, City Manager/Executive Director
Donna Mooney, City Attorney/Legal Counsel
Alice E. Evenson, City Clerk/Agency Secretary (elected)
Nancy Parent, City Treasurer (elected)

This meeting was held in compliance with California Government Code Section 54953(e)(2), which was added by Assembly Bill 361 which became effective Oct. 1, 2021, pursuant to the Governor's Executive Order N-15-21. On November 29, 2021, the City Council authorized hybrid meetings of the City Council and Commissions upon findings made in Resolution 21-13997 as required by state law. In addition, all Boards authorized teleconferenced meetings. City Council Members/Board Members/Commissioners and appropriate staff will be participating in person in the Council Chamber. The Public will continue virtual participation via Zoom. Pursuant to Government Code Section 54953(e)(3), the Council/Board/Commission authorization is effective for 30 days and may be extended every 30 days if the Council/Board/Commission makes required findings.

Mayor White called the Meeting of the City Council to order at 7:00 P.M. in the City Council Chamber at City Hall, 65 Civic Avenue, Pittsburg, CA after convening in Closed Session at 6:00 P.M. for the following items:

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Section 54956.8:

Property: Southwest corner of Center Drive and Railroad Avenue (APN 086-100-045): Negotiators for the City of Pittsburg: Garrett Evans, Maria Aliotti; Negotiating Parties: Stay Cal Pittsburg, LLC; Under Negotiation: both price and terms of payment

2. CONFERENCE WITH LABOR NEGOTIATORS Pursuant to Section 54957.6:

City designated representatives: Garrett Evans, Stacy Shell, Charles Sakai, Sloan Sakai Yeung & Wong LLP

Employee organizations: American Federation of State, County, and Municipal Employees Local 512 Management/Professional/Confidential Unit and Miscellaneous A Unit; Pittsburg Police Officers' Association; Pittsburg Police Managers Group; Teamsters Local 856; International Brotherhood of Electrical Workers Local 1295

Unrepresented employees: Management Group; Senior Executive Team

ROLL CALL

Members Craft and Scales-Preston were absent and excused.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

PRESENTATION

3. Quarterly Overview of Use of Force by Law Enforcement Personnel and Overview of Internal Affairs Investigations

CITY MANAGER REPORTS/REMARKS

City Manager Evans reported on COVID-19 management and upcoming City events.

PUBLIC COMMENTS

There were no public comments.

COMMITTEE REPORTS

Member Banales attended the Finance Subcommittee meeting.

COMBINED CITY COUNCIL AND PITTSBURG ARTS AND COMMUNITY FOUNDATION CONSIDERATION

7. Adoption by Minute Order of Council Member Committee Assignments for 2022, and Confirmation of Posting of FPPC Form 806 "Agency Report of Public Official Appointments"

On Motion by Member Killings, seconded by Member Banales to adopt and carried by the following vote:

AYES: Banales, Killings, White
ABSENT: Craft, Scales-Preston

8. Adoption of a City Council Resolution Approving, Allocating Funding and Authorizing Execution of a Consulting Services Agreement for Project 3334, Broadcast System Upgrade Project

On Motion by Member Banales, seconded by Member Killings to adopt and carried by the following vote:

AYES: Banales, Killings, White
ABSENT: Craft, Scales-Preston

9. Adoption of a PACF and City Council Resolution Approving a Sublease Agreement between the Pittsburg Arts and Community Foundation, Inc. and DVWB, LLC for 51 Marina Blvd, Suite C

On Motion by Member Killings, seconded by Member Banales to adopt and carried by the following vote:

AYES: Banales, Killings, White
ABSENT: Craft, Scales-Preston

CONFLICT OF INTEREST STATEMENT

There were no conflicts of interest statements.

COMBINED CITY COUNCIL, PITTSBURG ARTS AND COMMUNITY FOUNDATION, PITTSBURG POWER COMPANY AND SOUTHWEST PITTSBURG GHAD II AND SUCCESSOR AGENCY CONSENT CALENDAR

On Motion by Member Banales, seconded by Member Killings to adopt and carried by the following vote:

AYES: Banales, Killings, White
ABSENT: Craft, Scales-Preston

10. Minutes of November 15, 2021, November 29, 2021 and December 6, 2021

11. Adoption of a Successor Agency Resolution Declaring 610 Railroad Avenue (APN 085-390-077) as Surplus Land

12. Adoption of a City Council Resolution to Amend the Master Pay Schedule as Required by California Public Employees' Retirement System

13. Adoption of a City Council Resolution Approving the Continuation of the Contamination Recycling Fee for Mt. Diablo Resource Recovery

14. Receive and File Staff's Report on the Review of Development Impact Fees Received by the City of Pittsburg that are Subject to AB 1600 Reporting Requirements

15. Adoption of a City Council Resolution Approving the Terms and Conditions of Employment for Employees in the Teamsters Union, Local 856 for the Period July 1, 2021, through June 30, 2022

16. Adoption of a City Council Resolution Authorizing the City Manager to Execute Settlement Participation Forms, California State-Subdivision Agreements And Request

Direct Payment In the Nationwide Opioid Litigation Settlement

17. Adoption of City Council Resolution to Approve the Purchase of a 2022 Peterbilt 548 Dump Truck

18. Adoption of a City Council Resolution Authorizing an Application to the California Department of Forestry and Fire Protection Urban Forest Management Grant Program for an Urban Forest Management Plan

19. Adoption of a City Council Resolution to Accept Project 5066, Water Treatment Plant Filter Gallery Valve Replacement Project as Complete and Authorize the City Engineer to File a Notice of Completion

20. Adoption of a City Council Resolution Authorizing an Application and Accepting a Grant from the State of California General Fund for Project 3333, California Theatre Marquee Project

21. Adoption of a City Council Resolution to Accept Project 4063, 2020/2021 CDBG ADA Curb Ramp Installation Project as Complete and Authorize the City Engineer to File a Notice of Completion

22. Adoption of City Council Resolution Authorizing City Manager to Execute Purchase Contract of New Fleet Vehicles

23. Adoption of a City Council Resolution Accepting the Plans and Specifications and Authorizing Award of Project 4065, 2021/2022 CDBG ADA Curb Ramp Installation Project

24. Adoption of an Ordinance Approving a Zoning Map Amendment for the Home2Suites Hotel Project, AP-20-1536 (GP, RZ, UP, DR)

25. Adoption of a Resolution Making Findings in Support of Continuing to Hold Public Meetings by Teleconference Pursuant to California Government Code Section 54953(e)

COUNCIL REQUEST FOR FUTURE AGENDA ITEMS

There were no requests for future agenda items.

COUNCIL MEMBER REMARKS

There were no Council Member remarks.

ADJOURNMENT

The City Council adjourned at 7:34 P.M. to January 18, 2022, ***in memory of Christy Terry***.

Respectfully submitted,

Alice E. Evenson, City Clerk

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a Pittsburg Power Company Resolution Accepting Project 5822 Causeway Bridge Coupling Replacement Project as Complete, Authorizing Pittsburg Power Company to File a Notice of Completion, and Approving an Addition to the Total Project Budget

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

Pittsburg Power Company (PPC) provides electricity and natural gas retail service on Mare Island, Vallejo in the name of Island Energy. PPC proposes to increase the approved Causeway Bridge Coupling Replacement Project (Project) budget as a result of scope and cost increases incurred once the Project was underway. The Project is complete.

FISCAL IMPACT

Resolution 21- 421 was approved by the Governing Board of PPC on September 20, 2021, allocating a total budget of $807,118 for the Project. While executing the Project, additional scope and associated costs of $85,402 were incurred in excess of the approved total Project budget. PPC is seeking to increase the total Project budget by this additional amount, to a total of $892,520. The Project is entirely funded by the Island Energy Enterprise Fund 580.

RECOMMENDATION

The Governing Board of PPC accept the Project as complete, to authorize PPC to file a Notice of Completion, and to approve an addition to the budget of $85,402, making the total Project budget $892,520.

BACKGROUND

As part of its utility service, PPC operates a 10” natural gas transmission pipeline (pipeline or pipe) located on the undercarriage of the Mare Island Causeway Bridge connecting Vallejo with Mare Island.

While performing annual natural gas leak surveys as required by the Pipeline and Hazardous Materials Safety Administration (PHMSA), “Grade 2” leaks were discovered at three (3) mechanical couplings connecting portions of the pipe under the bridge. PPC subsequently investigated and further concluded that the isolation valves associated with the couplings were not closing properly. It was determined that the couplings and valves could not be effectively repaired given both condition and location and that they should be replaced.

In October of 2021, PPC successfully executed a project to replace the couplings, valves and piping spools beneath the Causeway Bridge utilizing Performance Mechanical Inc. as the general contractor. Other supporting subcontractors to PPC included GTS Engineering, CNG Direct for gas supply, WBE Traffic Control, Golden Bay Security, and several other minor subcontractors. Island Energy also incurred significant overtime in support of the Project.

As the Project was underway, the Project experienced scope events and agency requests not initially contemplated; including adjustments to traffic control protocols, much lower ambient temperatures, affecting natural gas demand, operational issues in the compressed natural gas (CNG) injection startup activities and agency requests for additional engineering reports and site security enhancements.

SUBCOMMITTEE FINDINGS

The Project execution scope increases, and related costs, were not presented to the PPC Subcommittee.

STAFF ANALYSIS

In the execution of the Project, field circumstances changed resulting in increased project scope and associated costs, such that costs were incurred that exceeded those originally forecasted and included in the approved Project budget.

The most significant increases in scope and cost were due to CNG demand and startup operational issues and increased scope related to traffic control on the bridge. Also, there were several additional agency requests not previously anticipated. The scope and cost increases were generally as follows:

CNG Demand:

During the period of work on the bridge, the natural gas transmission line was out of service and PPC supplied Mare Island with natural gas via CNG tanker trucks. PPC, and its engineer, GTS Engineering, had forecasted and modeled Mare Island natural gas demand during this period assuming ambient temperatures between 52F and 55F. Northern California experienced a cold snap at the time of CNG use, with temperatures seen between 43F and 45F in the mornings, greatly increasing gas demand to that forecasted.

CNG Startup Operational Issue:

On the morning of October 18th, work on the bridge was to commence at approximately 10:00am. The CNG trailers were made operational at about 8:00am and the transmission line on the bridge was isolated and purged. However, given the low morning temperatures and greatly increased gas demand, the Mare Island gas distribution system was quickly

depleted with line pressures dropping below 29psig, from a normal of 44psig. The CNG trailers could not both keep up with gas demand and “re-pack” the distribution system to normal operating pressure at the same time.

It was decided to cease CNG operations, re-establish the transmission line, re-pack the distribution system and wait until early afternoon when temperatures were much higher, and gas demand much lower. The system was successfully re-established at approximately 1:30pm that afternoon and subsequently performed as expected.

The net effect of this event was significant additional CNG gas usage, plus a delay to the contractor in commencing the work, resulting in a contractor delay Change Order.

Traffic Control:

As work commenced on the bridge, it was necessary to make improvements to the initial Traffic Control Plan to manage traffic flow more efficiently on the bridge while work progressed.

This involved the cost of additional flaggers, signage plus associated overtime for weekend work for all traffic control personnel.

Security:

With the Project underway, the City of Vallejo Fire Marshal directed that the Project have 24/7 security in the vicinity of the CNG trailers. This additional cost had not been contemplated previously.

Scaffold Engineering:

With the Project underway, the US Coast Guard requested engineered drawings for the under-bridge scaffolding. The Project did not consider this to be a typical request but agreed to create and provide engineered drawings per the US Coast Guard request.

Safety / Inspection Services:

In addition to Operator Qualification (OQ) testing for contractors, the Project elected to extend the scope of MR Services to include field safety oversight and weld inspections, resulting in increased cost to the OQ and inspection services.

Island Energy Staff Overtime:

Island Energy incurred additional staff overtime above typical overtime in the management and oversight of the Project.

The aggregate incurred Project cost above that of the previously approved Project budget is $85,402. Staff is recommending that this amount be added to the previously approved Project budget to a revised budget total of $892,520 and the new total Project budget be approved by the PPC Board.

ATTACHMENTS: Resolution

Report Prepared By: Douglas Buchanan, Power Company Manager

BEFORE THE GOVERNING BOARD OF THE PITTSBURG POWER COMPANY

In the Matter of:

Accepting Project 5822 Causeway Bridge Coupling Replacement Project as Complete, Authorizing Pittsburg Power Company to File A Notice of Completion and to Approving an Addition to the Total Project Budget	RESOLUTION NO. 22 -

WHEREAS, Pittsburg Power Company (PPC), a joint powers authority, provides retail electricity and natural gas services on Mare Island, Vallejo in the name of Island Energy; and

WHEREAS, PPC operates a 10” natural gas transmission pipeline suspended from the undercarriage of the Mare Island Causeway Bridge connecting the City of Vallejo with Mare Island; and

WHEREAS, upon assessment, PPC found that the isolation valves associated with the mechanical couplings were not sealing properly; and

WHEREAS, PPC concluded that the leaks and associated valves were not in a location or condition that would allow for repair, and would need to be replaced; and

WHEREAS, PPC successfully performed and completed the Causeway Bridge Coupling Replacement Project (Project) to replace the leaking couplings, associated valves and piping; and

WHEREAS, while executing the Project, certain unforeseen increases in Project scope occurred resulting in an increase in cost in excess of the originally approved Project Budget of $807,118; and

WHEREAS, such increases in unforeseen Project scope were a result of significantly increased compressed natural gas demand, revision of traffic control protocols, outside agency requests including scaffolding engineering and the addition of 24/7 security; and

WHEREAS, the increase in scope and related unforeseen and incurred Project costs are in the amount of $85,402; and

WHEREAS, PPC has completed the Project.

NOW, THEREFORE BE IT RESOLVED that the Governing Board of PPC hereby accepts the Project as complete, authorizes PPC to file a Notice of Completion, and approves the addition of $85,402 in unforeseen Project costs to the existing and approved CIP budget for the Project, making the total budget for the Project $892,520.

PASSED AND ADOPTED by Governing Board of the Pittsburg Power Company at a regular meeting on the 18th day of January 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Chair

ATTEST:

_____
Garrett Evans, Executive Secretary

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a Successor Agency Minute Order Approving the July 1, 2022 – June 30, 2023 Recognized Obligation Payment Schedule

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

The Successor Agency for the Redevelopment Agency of the City of Pittsburg (Successor Agency) has prepared its Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2022 – June 30, 2023 (ROPS 22-23), pursuant to AB 26x1, also referred to as the "Dissolution Act".

FISCAL IMPACT

There is no fiscal impact to adopting ROPS 22-23. Rather, ROPS 22-23 identifies the Successor Agency's anticipated financial obligations for July 1, 2022 – June 30, 2023. ROPS 22-23 will be reflected in the Successor Agency's budget that will be considered along with the City's budget in June 2022 for Fiscal Year 2022-2023.

RECOMMENDATION

Staff recommends that the Successor Agency Governing Board approve ROPS 22-23.

BACKGROUND

On June 29, 2011, the Governor signed into law the Dissolution Act, which automatically suspended redevelopment activities and on December 29, 2011, the California State Supreme Court upheld the provisions of the Dissolution Act, thereby dissolving all redevelopment agencies on February 1, 2012.

While redevelopment successor agencies may not initiate any new activities nor incur new indebtedness, they are nevertheless required under legislative statute and court order to continue making those payments necessary for day to day operations pursuant to contractual commitments/enforceable obligations, regulatory authorities, and indebtedness entered into prior to the enactment of the Dissolution Act.

On June 27, 2012, the Governor signed into law budget trailer bill AB 1484. AB 1484 imposed new requirements on successor agencies with regard to the submittal of the ROPS.

Budget trailer bill SB 107 was approved and signed by the Governor and took immediate effect on September 22, 2015. The primary purpose of SB 107 is to make technical and substantive amendments to the existing Dissolution Act. Pursuant Section 34177, as amended, changed the review of ROPS from semi-annual to annual.

Pursuant to Health and Safety Code Section 34179 (j), on and after July 1, 2018 in each county where more than one oversight board was created, there shall be only one countywide oversight board. As of July 1, 2018, the California Department of Finance (DOF) will only recognize the Contra Costa County Oversight Board (Countywide Oversight Board). The Successor Agency's ROPS and other actions may not be submitted to the DOF without the Countywide Oversight Board's approval.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

ROPS 22-23 consists of debt service related expenses, administrative expenses, and other eligible enforceable obligation. Staff will submit ROPS 22-23 to the Countywide Oversight Board for its consideration on January 24, 2022. Upon receiving Countywide Oversight Board approval, ROPS 22-23 will be submitted to the DOF, the County Auditor-Controller's Office, and the California State Controller's Office on or before February 1, 2022.

ATTACHMENTS: Recognized Obligation Payment Schedule for the period of July 1, 2022 – June 30, 2023

Report Prepared By: Maria M. Aliotti, Deputy City Manager
Janielyn Bayona, Finance Division Manager

Recognized Obligation Payment Schedule (ROPS 22-23) - Summary
Filed for the July 1, 2022 through June 30, 2023 Period

Successor Agency: Pittsburg

County: Contra Costa

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	22-23A Total (July - December)	22-23B Total (January - June)	ROPS 22-23 Total
A Enforceable Obligations Funded as Follows (B+C+D)	**$ 20,387**	**$ 20,386**	**$ 40,773**
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	20,387	20,386	40,773
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	**$ 14,215,405**	**$ 16,792,084**	**$ 31,007,489**
F RPTTF	14,012,750	16,589,429	30,602,179
G Administrative RPTTF	202,655	202,655	405,310
H Current Period Enforceable Obligations (A+E)	**$ 14,235,792**	**$ 16,812,470**	**$ 31,048,262**

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/

Signature Date

Pittsburg
Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail
July 1, 2022 through June 30, 2023

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								$817,583,145		$31,048,262	$-	$-	$20,387	$14,012,750	$202,655	$14,235,792	$-	$-	$20,386	$16,589,429	$202,655	$16,812,470
2	TAB 1999	Bonds Issued On or Before 12/31/10	11/03/1999	09/01/2030	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	debt service (Interest & principal) 822-41272-2303/2304 (TAB 1999)	Los Medanos	628,840,000	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
3	TAB 1999	Fees	11/03/1999	09/01/2030	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	debt service fiscal agent fees 822-41272-2318 (TAB 1999)	Los Medanos	10,159	N	$1,000	-	-	500	-	-	$500	-	-	500	-	-	$500
10	HSG TAB 06A	Bonds Issued On or Before 12/31/10	12/14/2006	09/01/2037	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	debt service (Interest & Principal) 844-41284-2303/2304 (HSG 2006A)	Los Medanos	9,825,460	N	$189,204	-	-	-	-	-	$-	-	-	-	189,204	-	$189,204
11	HSG TAB 06A	Fees	12/14/2006	09/01/2037	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite	debt service fiscal agents/ PFM Invest 844-41284-2318 (HSG 2006A)	Los Medanos	44,191	N	$2,376	-	-	1,188	-	-	$1,188	-	-	1,188	-	-	$1,188

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
					3100 San Francisco, CA 94111																	
27	Prefund August debt service of Senior & Housing Bonds (1999, 2014 & Housing Bonds)	Bonds Issued On or Before 12/31/10	11/03/1999	09/01/2030	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	Prefund senior & housing bonds debt service to fiscal agent (1999, & 2014 TABS & 2016A Hsg & 2006A HSG bonds) Balance Calendar Yr 2018	Los Medanos	13,222,902	N	$13,222,902	-	-	-	-	-	$-	-	-	-	13,222,902	-	$13,222,902
62	utilities-gas	Property Maintenance	07/01/2018	06/30/2019	PG&E	Successor Agency programs (properties owned) 801-41370-1391	Los Medanos	-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
63	utilities-electric	Property Maintenance	07/01/2018	06/30/2019	PG&E	Successor Agency programs (properties owned) 801-41370-1392	Los Medanos	-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
68	maintenance & repairs	Property Maintenance	07/01/2018	06/30/2019	TBD	Successor Agency programs (properties owned) 801-41370-2219	Los Medanos	5,000	N	$5,000	-	-	2,500	-	-	$2,500	-	-	2,500	-	-	$2,500
69	property tax	Property Maintenance	07/01/2018	06/30/2019	Contra Costa Tax Assessor	Successor Agency programs (properties owned) 801-41372-2361	Los Medanos	13,757	N	$13,757	-	-	6,879	-	-	$6,879	-	-	6,878	-	-	$6,878
71	1999 RDA Bonds	Fees	11/03/1999	09/01/2030	BLX Group LLC Dept 34461 PO Box 39000 San Francisco, CA 94139	BLX Payments administrative fees-Fund 822	Los Medanos	36,573	N	$3,600	-	-	1,800	-	-	$1,800	-	-	1,800	-	-	$1,800
81	utilities-water	Property	07/01/	06/30/2019	City of	Successor	Los	-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
		Maintenance	2018		Pittsburg Water Dept.	Agency programs (properties owned) 801-41370-1394	Medanos															
105	2014 RDA Refunded Bonds	Refunding Bonds Issued After 6/27/12	07/01/ 2014	12/01/2029	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	debt service (Interest & Principal) 833-41285-2303/ 04 (TAB 2014)	Los Medanos	18,616,875	N	$444,625	-	-	-	-	-	$-	-	-	-	444,625	-	$444,625
107	2014 RDA Refunded Bonds	Fees	06/25/ 2014	12/01/2029	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	debt service fiscal agent fees/ PFM Investment 833-41280-2318 (TAB 2014)		21,342	N	$2,400	-	-	1,200	-	-	$1,200	-	-	1,200	-	-	$1,200
109	2014 RDA Refunded Bonds	Fees	06/25/ 2014	12/01/2029	BLX Group LLC Dept 34461 PO Box 39000 San Francisco, CA 94139	Payment for Disclosre and Arbitrage calculation services	Los Medanos	32,012	N	$3,600	-	-	1,800	-	-	$1,800	-	-	1,800	-	-	$1,800
111	Administration	Admin Costs	07/01/ 2018	06/30/2019	City of Pittsburg	Administration 801-41202-xxxx Various Administrative Costs	Los Medanos	405,310	N	$405,310	-	-	-	-	202,655	$202,655	-	-	-	-	202,655	$202,655
118	HSG TAB 2016A Refunding	Refunding Bonds Issued After 6/27/12	02/10/ 2016	12/31/2030	Bank of New York Mellon Trust Company N.A. 100 Pine	debt service (Interest & Principal) 845-41278-2303/ 2304 (HSG 2016A Refunding Bond)		8,083,029	N	$164,073	-	-	-	-	-	$-	-	-	-	164,073	-	$164,073

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
					Street, Suite 3100 San Francisco, CA 94111																	
119	2016A RDA Refunding Bonds	Refunding Bonds Issued After 6/27/12	02/10/2016	12/31/2030	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	debt service (Interest & Principal) 834-41281-2303/2304 (2016A Refunding Bond)		138,334,500	N	$16,581,375	-	-	-	14,012,750	-	$14,012,750	-	-	-	2,568,625	-	$2,568,625
121	2016C RDA Refunding Bonds	Refunding Bonds Issued After 6/27/12	02/10/2016	12/31/2022	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	debt service (Interest & Principal) 836-41270-2303/2304 (2016C Refunding Bond)		-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
122	HSG TAB 2016A Refunding Bonds	Fees	02/10/2016	12/31/2030	BLX Group LLC Dept 34461 PO Box 39000 San Francisco, CA 94139	Payment for Disclosre and Arbitrage calculation services 845-41278-2318		10,671	N	$1,200	-	-	600	-	-	$600	-	-	600	-	-	$600
123	2016A RDA Refunding Bonds	Fees	02/10/2016	12/31/2030	BLX Group LLC Dept 34461 PO Box 39000 San Francisco, CA 94139	Payment for Disclosre and Arbitrage calculation services 834-41281-2318		10,671	N	$1,200	-	-	600	-	-	$600	-	-	600	-	-	$600
125	2016C RDA Refunding Bonds	Fees	02/10/2016	12/31/2022	BLX Group LLC Dept	Payment for Disclosre and Arbitrage		-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
					34461 PO Box 39000 San Francisco, CA 94139	calculation services 836-41270-2318																
126	HSG TAB 2016A Refunding Bonds	Fees	02/10/ 2016	12/31/2030	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	Debt Service Fiscal Agent Fees 845-41278-2318		39,482	N	$4,440	-	-	2,220	-	-	$2,220	-	-	2,220	-	-	$2,220
127	2016A RDA Refunding Bonds	Fees	02/10/ 2016	12/31/2030	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	Debt Service Fiscal Agent Fees 834-41281-2318		8,892	N	$1,000	-	-	500	-	-	$500	-	-	500	-	-	$500
129	2016C RDA Refunding Bonds	Fees	02/10/ 2016	12/31/2022	Bank of New York Mellon Trust Company N.A. 100 Pine Street, Suite 3100 San Francisco, CA 94111	Debt Service Fiscal Agent Fees 836-41270-2318		-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
131	Hsg TAB 2006A	Fees	12/14/ 2006	09/01/2037	BLX Group LLC Dept 34461 PO Box 39000 San Francisco,	Payment for Disclosre and Arbitrage calculation services 844-41284-2318		22,319	N	$1,200	-	-	600	-	-	$600	-	-	600	-	-	$600

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	**ROPS 22-23 Total**	**ROPS 22-23A (Jul - Dec)**					**22-23A Total**	**ROPS 22-23B (Jan - Jun)**					**22-23B Total**
											Fund Sources						**Fund Sources**					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
					CA 94139																	

Pittsburg
Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances
July 1, 2019 through June 30, 2020
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H
	ROPS 19-20 Cash Balances (07/01/19 - 06/30/20)	**Fund Sources**					**Comments**
		Bond Proceeds		**Reserve Balance**	**Other Funds**	**RPTTF**	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
1	**Beginning Available Cash Balance (Actual 07/01/19)** RPTTF amount should exclude "A" period distribution amount.	1,418,573	12,457,464		1,500,745		
2	**Revenue/Income (Actual 06/30/20)** RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller	80,727	417,711		722,766	33,803,210	G2-agrees with CAC distribution
3	**Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)**	30,005	136,262		605,306	33,799,849	F3= Actual; 19-20 CAC G3= Actual; 19-20 CAC
4	**Retention of Available Cash Balance (Actual 06/30/20)** RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	1,469,295	12,738,913		1,205,579	3,361	
5	**ROPS 19-20 RPTTF Prior Period Adjustment** RPTTF amount should tie to the Agency's ROPS 19-20 PPA form submitted to the CAC		No entry required				
6	**Ending Actual Available Cash Balance (06/30/20) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)**	**$-**	**$-**	**$-**	**$412,626**	**$-**	

Pittsburg
Recognized Obligation Payment Schedule (ROPS 22-23) - Notes
July 1, 2022 through June 30, 2023

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OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of a City Council Resolution Accepting the Plans and Specifications, Allocating Funds and Awarding Project 2227, Traffic Signal Improvement Project

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

The City has been awarded a Highway Safety Improvement Program (HSIP) grant in the amount of $1,065,600 for Project 2227, Traffic Signal Improvement Project (the "Project") to improve traffic signal hardware at 35 signalized intersections in the City. If approved, this Resolution will accept the plans and specifications for the project and authorize the City Manager to award a construction contract to Bear Electric Solutions of Alviso, California.

FISCAL IMPACT

The bid proposal from Bear Electric Solutions is $803,879 for the Project. Funding for the proposed bid proposal will be provided from the current approved Project budget of $1,110,000, which includes a $1,065,600 Highway Safety Improvement Program (HSIP) grant and a $44,400 RMRA Funds (Fund 228) as City matching funds.

Staff requests an allocation of $161,000 from the General Fund for the construction of the Project. A Budget Summary is attached as Exhibit "A".

RECOMMENDATION

City Council adopt the attached Resolution allocating $161,000 from General Fund to Project 2227.

City Council adopt the attached Resolution to accept the plans and specifications and authorized the City Manager to execute a Contract for Project 2227 with Bear Electric Solutions for a total contract amount of $803,879 for the construction of the project.

Staff recommends that the City Council adopt the attached Resolutions establishing a construction contingency of $150,000 for unanticipated costs and construction contract change orders.

Staff further recommends that the City Engineer be authorized to approve contract change orders for this Project in a total amount not to exceed 50% of the contingency and the City Manager be authorized to approve change orders for this Project in a total amount not to exceed 100% of the contingency amount.

BACKGROUND

In January 2019, staff received notification that the application was approved, and the City was awarded a grant in the amount of $1,065,600 for the design and construction of the Project.

On September 16, 2019, the City Council adopted Resolution 19-13682 accepting a $1,065,600 HSIP grant, allocating $44,400 from RMRA Funds (Fund 228), and establishing a total project budget in the amount of $1,110,000.

On November 6, 2019, staff received notification from the California Department of Transportation (Caltrans) that preliminary engineering funds were approved for the Project and the E-76, Authorization to Proceed with design, was issued.

On May 18, 2020, the City Council adopted Resolution 20-13781 authorizing the City Manager to execute a Consulting Agreement with TJKM in the amount of $163,000 to design the Project.

On September 10, 2021, staff received notification from the California Department of Transportation (Caltrans) that Construction funds were approved for the Project and the E-76, Authorization to Proceed with Construction, was issued.

On October 13, 2021, Staff advertised the Project for bids. Bids for construction of the Project were opened on Wednesday, November 17, 2021, and Bear Electric Solutions was the lowest responsive, responsible bidder with a base bid in the amount of $803,879.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

Staff received seven bid proposals for the construction of the Project. The low bid has been checked for arithmetical errors, completeness, conformance with the bid requirements. The bid proposal submitted by Bear Electrical Solutions was the lowest responsive, responsible bid and is slightly above the Engineer's estimate.

The recommended construction contingency of $150,000 is approximately 18% of the construction contract and will provide funding for unanticipated change orders.

ATTACHMENTS: Resolution
Exhibit "A"-Budget Summary

Report Prepared By: Gina Haynes, Senior Civil Engineer

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

A Resolution Accepting the Plans and)
Specifications, Allocating Funds, and Awarding) RESOLUTION NO. 22-
Project 2227 Traffic Signal Improvement Project)

WHEREAS, the City has been awarded an HSIP grant in the amount of $1,065,600 for traffic signal improvements throughout the City; and,

WHEREAS, the project known as Contract 2019-01, Traffic Signal Improvement Project (the "Project") will improve traffic signal hardware including signals heads, pedestrian heads, pushbuttons, visors, backplates, controllers, cabinets, battery backup system, and modems at 35 signalized intersections maintained by the City; and

WHEREAS, on September 16, 2019, the City Council adopted Resolution 19-13682 accepting $1,065,600 HSIP grant, allocating $44,400 from RMRA Funds (Fund 228) and establishing a total project budget in the amount of $1,110,000; and

WHEREAS, on November 6, 2019, staff received notification from the California Department of Transportation (Caltrans) that preliminary engineering funds were approved for the Project and the E-76, Authorization to Proceed with design, was issued; and

WHEREAS, on May 18, 2020, the City Council adopted Resolution 20-13781 authorizing the City Manager to execute a Consulting Agreement with TJKM in the amount of $163,000 to design the Project; and

WHEREAS, on September 10, 2021, staff received notification from the California Department of Transportation (Caltrans) that Construction funds were approved for the Project and the E-76, Authorization to Proceed with Construction, was issued; and

WHEREAS, on October 13, 2021, Staff advertised the Project for bids. Bids for construction of the Project were opened on Wednesday, November 17, 2021, and Bear Electric Solutions was the lowest responsive, responsible bidder with a base bid in the amount of $803,879; and

WHEREAS, staff recommends that the City Council allocate $161,000 from General Funds to Project 2227; and

WHEREAS, staff recommends that the City Council accept the plans and specifications; and

WHEREAS, staff recommends that the City Manager be authorized to execute a contract for Project 2227 with Bear Electric Solutions in the amount of $803,879 for the construction of the project; and

WHEREAS, staff recommends establishing a contingency in an amount of $150,000 for unanticipated costs and construction contract change orders; and

WHEREAS, staff recommends that the City Engineer or his designee be authorized to approve contract change orders for this Project for a total amount not to exceed 50% of the contingency and the City Manager be authorized to approve change orders for this Project for a total amount not to exceed 100% of the contingency amount.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Pittsburg hereby finds and determines as follows:

Section 1.
The City Council hereby approves the allocation of $161,000 from the General Fund.

Section 2.
The City Council hereby accepts the plans and specifications for the Project.

Section 3.
The City Council hereby authorizes the City Manager to execute a contract for Project 2227 with Bear Electric Solutions in the amount of $803,879 for the construction of the project.

Section 4.
The City Council hereby authorizes a construction contingency in the amount of $150,000 for unanticipated costs and construction contract change orders.

Section 5.
The City Engineer or his designee is authorized to approve contract change orders for this Project for a total amount not to exceed 50% of the contingency and the City Manager shall be authorized to approve change orders for this Project for a total amount not to exceed 100% of the contingency amount

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of January 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

Project 2227, Traffic Signal Improvement Project

Project Funding

	Highway Safety Improvement Program (HSIP) Grant
	RMRA Funds (Fund 228)
	General Fund
	Funding Total

Project Expenditures:

Design: (Code 2122)	Consultant Design
	Subtotal
Miscellaneous: (Code 1399)	Advertising
	Reproduction
	Postage
	Subtotal
Construction: (Code 2281)	Construction
	Construction Contingency
	Equipment Purchase
	Material Testing
	Subtotal
Staff Time: (Code 1101)	Staff Costs During Design Management
	Staff Costs During Construction Management
	Subtotal
Admin: (Code 2372)	Overhead Costs During Design Management
	Overhead Costs During Construction Manager
	Subtotal
	Estimated Total Expenditures

$1,065,600
$44,400
$161,000
$1,271,000

$163,866
$163,866

$1,000
$1,000
$1,000
$3,000

$803,879
$150,000
$85,000
$5,000
$1,043,879

$20,000
$10,000
$30,000

$20,000
$10,000
$30,000

$1,270,745

Contract 2019-01, Traffic Signal Improvement Project

Project Funding

	Highway Safety Improvement Program (HSIP) Grant	$1,065,600
	RMRA Funds (Fund 228)	$44,400
	General Fund	$200,000
	Funding Total	**$1,310,000**

Project Expenditures:

Design: (Code 2122)	Consultant Design	$163,866
	Subtotal	$163,866
Miscellaneous: (Code 1399)	Advertising	$1,000
	Reproduction	$1,000
	Postage	$1,000
	Subtotal	$3,000
Construction: (Code 2281)	Construction	$842,880
	Construction Contingency (~10%)	$50,000
	Equipment Purchase	$185,000
	Material Testing	$5,000
	Subtotal	$1,082,880
Staff Time: (Code 1101)	Staff Costs During Design Management	$20,000
	Staff Costs During Construction Management	$10,000
	Subtotal	$30,000
Admin: (Code 2372)	Overhead Costs During Design Management	$20,000
	Overhead Costs During Construction Manager	$10,000
	Subtotal	$30,000
	Estimated Total Expenditures	**$1,309,746**

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of a City Council Resolution Allocating Funds and Authorizing Agreements for Consulting Services for Design of Project 3080, Delta View Sports Park

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

Project 3080, Delta View Sports Park (the "Project"), is for design and construction of three sports fields, restrooms, parking lot and lighting on the south side of West Leland Road on a portion of City property formerly used as a municipal golf course. This resolution will allocate funding and authorize the City Manager to and negotiate contracts for design and project management in an amount not to exceed $500,000.

FISCAL IMPACT

The preliminary conceptual estimate for the project is approximately $5.3 million, with the cost for design services estimated to be $600,000. Staff requests $600,000 be allocated from unallocated fund balance within Park Dedication In Lieu Fees (Fund 304). The City Engineer has determined this is an appropriate use of these funds.

A Project Budget Summary for design and bidding this project are attached to this report.

RECOMMENDATION

City Council adopt the attached Resolution allocating $600,000 from Park Dedication In Lieu Fees (Fund 304) for design services for the Delta View Sports Park and negotiate contracts for design and project management in an amount not to exceed $500,000.

BACKGROUND

The Delta View Municipal Golf Course ceased operations in 2018. Since then, the City-owned recreational property has been vacant. In response to comments from residents and at the direction of the City Council, staff developed a plan to return up to 80 acres of this parcel to public use. This project would be constructed on a portion of that acreage.

Staff estimates the cost for design services and project management to be $600,000. Staff will solicit proposals from design consultants for design of the Project.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

Construction of three sports fields on a portion of the former golf course will provide a much-needed recreational facility to this area of the City and will help alleviate overuse of other sports fields currently in operation at other City parks.

The preliminary estimate for the total project cost is $5.3 million, including $3.9 million for construction. However, the total cost to construct the Project will not be known until the Project is in the construction phase.

Staff will return to the City Council prior to bidding for consideration of allocation of additional funds for construction once this information is known. The current project schedule anticipates construction of the project in 2023.

ATTACHMENTS: Resolution
Project Budget Summary

Report Prepared By: Richard Abono, Director of Public Works/City Engineer

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

A Resolution Allocating Funding for)
Design and Bidding of Project 3080,) RESOLUTION NO. 22 -
Delta View Sports Park)

WHEREAS, Project 3080, Delta View Sports Park is for construction of three sports fields, restrooms, parking, and lighting south of West Leland Road east of John Henry Johnson Parkway on City property formerly used for the municipal golf course; and,

WHEREAS, staff estimates the cost for design services and assistance with design to be $600,000; and

WHEREAS, this project will return the public property to active recreational use and alleviate overuse and overcrowding on the City's other sports facilities; and

WHEREAS, staff requests that unallocated fund balance in Park Dedication In Lieu Funds (Fund 304) be used to fund the cost of design, project management, and staff time for the Project; and

WHEREAS, staff will request additional funding prior to bidding the Project; and

WHEREAS, a summary of anticipated projected expenditures for design and project management is included in the attached Staff Report.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Pittsburg finds and determines as follows:

Section 1. The above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City Council set forth below.

Section 2. The amount of $600,000 from unallocated fund balance within Park Dedication In Lieu Funds is hereby authorized for use on the Project for design, project management, and staff time.

Section 3. The City Manager is hereby authorized to negotiate and execute an agreement for design of the Delta View Sports Park project in an amount not to exceed $500,000, and to execute such further documents and take such further actions as may be necessary or appropriate to carry out the City's obligations pursuant to the Project.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th the day of January 2022, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Holland Barrett White, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

Exhibit A - Project Budget Summary

Contract 2021-20, Delta View Sports Park
Project 3080

Project Funding

	Park Dedication In-Lieu Funds (Fund 304)		$600,000
		Funding Total	**$600,000**

Project Expenditures:

Design:	Conceptual Engineering		$49,000
(Code 2122)	Conultant Engineering and Land Surveying		$400,000
	Project Management Design		$100,000
		Subtotal	**$549,000**
Miscellaneous:	Advertising		$1,000
(Code 1399)	Reproduction		$500
	Postage		$500
	Environmental Permitting		$25,000
		Subtotal	**$27,000**
Construction			
(Code 2281)	Construction		
	Construction Contingency (~10%)		
	Project Management		
			$0
Staff Time:	Staff Design		$12,000
(Code 1101)	Staff Construction Management		
		Subtotal	**$12,000**
Admin Overhead	Staff Design		$12,000
(Code 2372)	Staff Construction Management		
		Subtotal	**$12,000**
		Estimated Total Expenditures	**$600,000**

Exhibit A - Project Budget Summary

Contract 2021-20, Delta View Sports Fields
Project 5208

Project Funding

	Fund 521 Sewer Operation Fund		$125,000
	Fund 522 Sewer Facilities Reserve Fund		$350,000
	Fund 522 Sewer Facilities Reserve Fund		$200,000
		Funding Total	**$675,000**

Project Expenditures:

Design:	Design Engineering		$88,300
(Code 2122)	Design Engineering Survey		$6,300
	Design Engineering Pre Demo Survey		$2,000
	Design Engineering Geotechnical		$11,200
	Design Contingency		$8,701
		Subtotal	**$116,501**
Miscellaneous:	Advertising (all projects)		$1,000
(Code 1399)	Reproduction (all projects)		$100
	Postage (all projects)		$887
	Environmental Permitting		$7,312
	Pump Rental and Repair		$500
		Subtotal	**$9,799**
Construction			
(Code 2281)	Construction		$437,369
	Construction Contingency (~10%)		$43,737
			$481,106
Staff Time:	Staff Design		$12,500
(Code 1101)	Staff Construction Management		$3,277
		Subtotal	**$15,777**
Admin Overhead	Staff Design		$8,700
(Code 2372)	Staff Construction Management		$3,277
		Subtotal	**$11,977**
		Estimated Total Expenditures	**$635,160**

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Receive and File the Annual Comprehensive Financial Report (ACFR) and the Transportation Development Act Article III Audit Report (TDA) for the Fiscal Year Ended June 30, 2021

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

The Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021, has been completed and complies with the Governmental Accounting Standards Board (GASB) reporting requirements. The City has received an unqualified or "clean opinion" by the City's auditing firm, Maze and Associates, Certified Public Accountants (Maze).

FISCAL IMPACT

There is no fiscal impact to receive and file the ACFR and the TDA audit report.

RECOMMENDATION

Receive and file the ACFR and the TDA for the fiscal year ended June 30, 2021.

BACKGROUND

Pursuant to and in compliance with GASB 34, the City is required to receive and file its ACFR at the end of each year. The ACFR is governed by GASB and includes a set of financial statements comprised of financial reports of the City, along with notes, narratives, and other supporting data. The purpose of the ACFR is to be transparent about the use of taxpayer's money and to provide the public a detailed accounting of all City financial activities.

The TDA audit report is required for grant funding from the State of California and the report is intended to present the financial position and results of operation for the related projects, which are included in the City's ACFR.

SUBCOMMITTEE FINDINGS

This item was not reviewed by a subcommittee.

STAFF ANALYSIS

Maze has completed its review and examination of the City's financial transactions and statements for the fiscal year end June 30, 2021. Maze has expressed an opinion that the City's financial statements are presented fairly, in all material respects, and in conformity with the accounting principles generally accepted in the United States of America.

The following is a summary of the financial highlights from the Management's Discussion and Analysis section of the ACFR:

The assets and deferred outflow of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the Fiscal Year 2020-21 by $402.2 million (M) (net position).

The City's total net position of $402.2M increased from the prior Fiscal Year 2019-20 by $20.7M. See below for breakdown of governmental and business type activities:

As of June 30, 2021, the City's governmental fund balances saw an increase of $21.2M resulting in a balance of $72.9M compared to the prior fiscal year balance of $51.7M. The difference is a combination of additional general revenues: increase in taxes and fees and an offsetting of costs incurred in personnel, contractual and capital outlay expenditures.

As of June 30, 2021, the fund balance (total assets minus total liabilities) for the General Fund, which includes the Budget Stabilization and Economic Development funds, was $34.5M. The detail of this amount is as follows: $1.3M was designated as "Nonspendable" for items that are not in a spendable form such as deposits, interfund advances and inventory, $1.2M was designated as "Assigned" for economic development activities and encumbrances intended to be used for specific purposes designated by the City Council and $32.0M as unassigned. The unassigned balance consists of $29.6M in General Fund operating reserve available to cover expenses in the event of an emergency and $2.4M in the Budget Stabilization Fund that can be used to balance future budgets subject to the limits of the Fiscal Sustainability Ordinance.

As of June 30, 2021, the City's net position from business type activities (enterprise funds) increased by approximately $10.0M from $149.9M to $159.9M. The increase is a combination of additional fees due to rate increases, and an increase in net capital assets.

The City's other miscellaneous reports: Memorandum on Internal Control, Required Communications and the Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule for the Fiscal Year ended June 30, 2021, are not available at this time. These reports will be issued mid-January of 2022.

ATTACHMENTS: Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2021

Transportation Development Act Article III Audit Report for Fiscal Year ended June 30, 2021

Report Prepared By: Laura Mendez, Finance Reporting Manager

Reviewed By: Paul Rodrigues, Finance Director

CITY OF PITTSBURG, CALIFORNIA

PEDESTRIAN AND BICYCLE PROJECTS

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2021

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CITY OF PITTSBURG
PEDESTRIAN AND BICYCLE PROJECTS
Financial Statements
For the Year Ended June 30, 2021

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MAZE & ASSOCIATES

INDEPENDENT AUDITOR'S REPORT

Honorable Members of the City Council
City of Pittsburg, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Pedestrian and Bicycle Projects (Projects) of the City of Pittsburg (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, as listed in the Table of Contents.

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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 audits to obtain reasonable assurance about whether the financial statements are free from 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 misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Projects' 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 Projects' 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Projects as of June 30, 2021, and the change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Accountancy Corporation
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523

T 925.930.0902
F 925.930.0135
E maze@mazeassociates.com
W **mazeassociates.com**

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Projects and do not purport to, and do not present fairly the financial position of the City as of June 30, 2021 in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021, on our consideration of the Projects' 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 effectiveness of the Projects' 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 Projects' internal control over financial reporting and compliance.



Pleasant Hill, California
December 22, 2021

CITY OF PITTSBURG
PEDESTRIAN AND BICYCLE PROJECTS
BALANCE SHEET
JUNE 30, 2021

	Allocation Instruction Number 19001030
ASSETS	
Due from Metropolitan Transportation Commission	$ 65,000
LIABILITIES	
Due to the City	$ 65,000
FUND BALANCE	-
Total Liabilities and Fund Balance	$ 65,000

See accompanying notes to financial statements

CITY OF PITTSBURG
PEDESTRIAN AND BICYCLE PROJECTS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2021

	Allocation Instruction Number 19001030
REVENUES	
TDA Article 3.0 (Note 2)	$ 65,000
Total Revenues	65,000
EXPENDITURES	
Pedestrian and Bicycle Improvements (Note 2)	
Rancho Medanos Junior High School Pedestrian Improvements	65,000
Total Expenditures	65,000
Excess of Revenues over Expenditures	-
Fund balance at beginning of year	-
Fund balance at end of year	$ -

See accompanying notes to financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Pittsburg, California (City), has developed the Pedestrian and Bicycle Projects (Projects) under the Transportation Development Act (TDA), Article 3.0, that provides funding for projects including the construction of pedestrian pathways, wheel chair ramps and bicycle master plan studies.

The TDA funds are distributed through the Metropolitan Transportation Commission (MTC), which is the agency responsible for allocation of funds to eligible claimants within the greater San Francisco Bay Area.

The Projects are included in the Gas Tax Fund of the Comprehensive Annual Financial Report of the City. The financial statements are intended to present the financial position and results of operation for the Projects, and not those of the City as a whole.

A. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized. The Projects are accounted for in a governmental fund type and the modified accrual basis of accounting is used. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when they are incurred.

B. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of balance sheet may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then.

In addition to liabilities, the balance sheet may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF PITTSBURG
PEDESTRIAN AND BICYCLE PROJECTS
Notes to the Financial Statements
For the Year Ended June 30, 2021

NOTE 2 - TDA ARTICLE 3.0 REVENUE AND EXPENDITURES

As of June 30, 2021, the City had allocation instructions from the Metropolitan Transportation Commission for the following projects:

Project Name	Allocation Instruction #	Grant Amount	Expended from Inception to June 30, 2021	Revenue Received Inception to June 30, 2021
Rancho Medanos Junior High School Pedestrian Improvements	19001030	$ 65,000	$ 65,000	$ 65,000
Marina Boulevard Buffered Bike Lanes	21001017	56,100	-	-
		$ 121,100	$ 65,000	$ 65,000

INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING,
ON COMPLIANCE WITH THE TRANSPORTATION DEVELOPMENT ACT
AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Members of the City Council
City of Pittsburg, California

We have audited, in accordance with the 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 City of Pittsburg (City) Pedestrian and Bicycle (Projects), as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated December 22, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Projects' internal control over financial reporting (internal control) to determine the audit 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 Projects' internal control. Accordingly, we do not express an opinion on the effectiveness of the Projects' 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Projects' 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 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Projects' financial statements are free from 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. Our procedures included the applicable audit procedures contained in §6666 of Title 21 of California Code of Regulations and tests of compliance with the applicable provisions of the Transportation Development Act and the Allocation Instructions and Resolutions of the Metropolitan Transportation Commission. 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*.

We have also issued a separate Memorandum on Internal Control dated December 22, 2021, which is an integral part of our audit and should be read in conjunction with this report.

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 Projects' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Projects' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Metropolitan Transportation Commission, management, City Council, others within the City, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.



Pleasant Hill, California
December 22, 2021

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021



City of Pittsburg, California
www.ci.pittsburg.ca.gov

City of Pittsburg
California

Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2021



Prepared by the Finance Department

Paul Rodrigues, CPA
Finance Director

Laura Mendez, CPA
Division Manager, Financial Reporting



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

City of Pittsburg
Basic Financial Statements
For the Year Ended June 30, 2021
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CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

City of Pittsburg
65 Civic Avenue
Pittsburg, California 94565-3814

December 22, 2021

Honorable Mayor
Members of the City Council
And Residents of Pittsburg

We are pleased to present the City of Pittsburg Annual Comprehensive Financial Report (ACFR) for the year ending June 30, 2021 (FY 2020-21). The information in this ACFR is prepared in accordance with "Generally Accepted Accounting Principles" (GAAP) and includes an unmodified opinion on the report by the City's independent certified public accountants. Although we rely on the standards and expertise of these external authorities, the City is responsible for the accuracy and fairness of this report, inclusive of all disclosures that are necessary to enable the reader to understand the City's operations.

For those readers interested in a more detailed review of the City's financial statements, a narrative section called Management's Discussion and Analysis (MDA) has been included as part of the Financial Section. The MDA reports on the financial highlights of the City and provides additional analysis on the variances and trends reported as part of the financial statements. The MDA also discloses significant items affecting the financial condition of the City and is designed to be read in conjunction with this letter of transmittal.

City Profile

The City was incorporated in 1903 and is located along the Sacramento-San Joaquin River Delta, situated on the north side of Mount Diablo. Pittsburg is located in the northeast part of Contra Costa County.

The City is a general law City and operates utilizing the City Council-Manager form of government. The five City Council members are elected at large for staggered four-year terms to govern the City. Also elected to four-year terms are the City Treasurer and City Clerk. The City Council is responsible for establishing goals, priorities, and policies; adopting an annual budget; appointing commissions and committees; and hiring the City Manager and City Attorney. The City Manager is responsible for implementing the City Council's policies, overseeing the day–to-day operations of the City and appointing the directors of the City's departments.

The City provides a full range of municipal services, including police, water treatment and distribution, sewer collection, streets, cultural and recreational facilities, public works, parks, economic development, planning, zoning, building inspection, code enforcement, housing assistance, marina operations, energy distribution, engineering, and general administration. The Contra Costa County Fire Protection District provides fire protection services for the City.

Reporting Entities

The financial statements included in this ACFR present the City (the primary government) with all the City funds, Housing Authority, Successor Agency (SA), Pittsburg Power Company, Southwest Pittsburg Geologic Hazard Abatement District II ("GHAD II") and Pittsburg Arts and Community Foundation (PACF) as component units. These five component units are separate legal entities; however, the members of the City Council also serve as members of the Governing Boards of these component units. Therefore, the financial information for the Housing Authority, SA, Pittsburg Power Company, "GHAD II" and PACF are blended with the City's financial information.

Economic Conditions and Outlook

Pittsburg's population has grown to approximately 76,416. Unemployment rates have dropped in the past several years since the recession. The City unemployment rate increased in FY 19-20 due to the pandemic. However, with the economy opening and shelter in place orders lifted the unemployment rate dropped from 16.8% in FY 19-20 to 8.8% in FY 20-21. During this past year, the City continued to see increased revenues from sales, property, and other taxes.

Despite the lingering uncertainty of the global economic impact of the Covid-19 pandemic, the City sales tax revenue increased by 30% or $4.7 million of which $1.7million are from the City's Measure M, District Sales Tax. With the passing of the South Dakota vs Wayfair Supreme Court ruling in 2018, this decision allowed states more authority to require out-of-state sellers to collect sales and use tax. The California Department of Fee and Tax Administration (CDFTA) decision on April 2019 to require out-of-state retailers to collect and remit use tax beginning April 2019, generated an additional stream of sales tax revenue to the City. Increasing online/internet business trends and the City's favorable major commercial/retail business mix which remained essential and sustained the pandemic, the City anticipates sales tax revenue to grow.

Motor Vehicle revenue increased by 5.0% or $288,332 consistent with the City's increase in property assessment values.

The City's Property Assessment Value (AV) increased by 5.3% reflecting an increase of 5.0% or $191,977 from prior year because of increased housing demands as mortgage interest rates remain low.

Gas Tax or Highway User's Tax increased by 4.0% or $128,522 mainly due to increasing gas prices.

The City's investment earnings are lower by 10.0% or $360,663. With the risk and continuing uncertainty of the Covid-19 impact on the financial market, interest investment income is subject to extreme fluctuation, making it difficult to analyze and predict trends.

The City's Economic Development Division continues to partner with the Chamber of Commerce to assist existing businesses, attract new businesses, and collaborate with organizations to train and enable residents to find employment opportunities. This year, the City has worked with Los Medanos College to launch the "Skill Up" program designed to provide working adults with opportunities to gain new skills that will help them advance in their careers, as well as provide younger students with career paths for positions in the construction, auto maintenance, and logistics sectors. The City also continues to support the Future Build Program that provides training for construction jobs, and is working with the People Who Care Foundation to support other local job training programs.

This year, the City approved development of a Home 2 Suites Hotel on a vacant property along one of the City's busiest thoroughfares, which will help replace revenues lost due to the conversion of Motel 6 to a permanent homeless shelter under Project Homekey. The City is also continuing to support the development of a Courtyard by Marriot Hotel at the intersection of Railroad Avenue and State Route 4, which was approved last year and is scheduled to commence construction in 2023. The City continues to see other investments in commercial properties as well, including the restoration of a historic building to house an upscale seafood restaurant, development of a hotel and event center, as well as a wine bar on the waterfront, and location of chains such as Shoe Palace and Chik-fil-A. The City has also continued to make progress on development of a large-scale data center facility on the former golf course site.

The City's CDBG program has funded COCO Kids, which promotes early childcare and education, Renaissance Entrepreneurship Center, which promotes small business in our community and Opportunity Junction, which assists low-income residents with training and job placement.

General Fund Condition and Long-term Plans

The City developed a 20-year General Fund Forecast and Balancing Plan ("20-Year Plan") to assist City management and City Council on the General Fund budget and use of the Budget Stabilization Fund. Periodically, the 20-year Plan is updated based on current revenue and expenditure information.

This plan incorporates anticipated fluctuations of revenues and expenditures over a longer term, thus allowing the City to manage its affairs in a prudent fiscal manner, while providing services to residents and businesses necessary for a growing community.

Fiscal Sustainability Ordinance

In June 2017, the City passed an updated Fiscal Sustainability Ordinance to ensure the City protects its revenues and to ensure proper fiscal responsibility. As part of the Ordinance, reserve levels and funding mechanics were mandated to provide for emergencies and ensure that proper fiscal reserve levels were maintained. Within the Ordinance, reserve levels were set at 30% of annual operating expenses for the City's General Fund, Internal Service Funds and Enterprise Funds. The reserve level was placed at a percentage of operating expenses rather than a static number to ensure adequate reserve levels are maintained over time. The City also established a Budget Stabilization

Fund to provide a minimum of $2 million or 5% of the City's annual General Fund operating expenses. The Budget Stabilization Fund was fully funded in FY 2017-18. Throughout the year staff monitors the reserve levels to ensure the City is in compliance with the ordinance.

Major Initiatives:

Capital Projects Completed FY 2020-2021

- West Leland Road Safety Improvements
- West Leland Road Street Lighting Project (Railroad Avenue to Crestview Drive)
- SB1 FY 20/21 Pavement Improvements (West Leland Road/Loveridge Road)
- Central Avenue Waterline Replacement
- Highlands Ranch Park LED Sign Rehabilitation
- Range Road Sidewalk Widening
- Heatherwood Drive Speed Humps
- Crestview Drive Temporary Traffic Calming
- Bailey Road Double Chip Seal Pavement Project
- SCADA System Upgrade Project at the Water Treatment Plant
- Urban Water Management Plan
- Traffic Signal Upgrade Project – multiple locations
- Citywide Traffic Signing & Roadway Striping - multiple locations
- DeAnza Park Improvements
- Island Energy Causeway Bridge Coupling Replacement

FY 2020-21 Major Initiatives:

Capital Projects Scheduled for Construction during FY 2021-2022:

- Water Master Plan and Fee for Service Study
- Automatic Water Meter Replacement – Final Phase
- Crestview Drive Pedestrian Safety Improvements
- 20/21 CDBG ADA Curb Ramp Replacements (Sugartree Drive area, Polaris Drive area)
- Montezuma Slough Stormwater Pump Station Replacement
- Sunset Park Sewer line and Water line Replacement
- Ambrose Park Restroom/Concession Replacement
- California Theatre Balcony and 2nd Floor Seating
- Local Road Safety Plan
- Bayside Drive Speed Humps
- Street Maintenance at Highland Meadows and Hillsdale neighborhoods
- Citywide Traffic Improvements (multiple intersections)
- One Bay Area Grant Pavement Improvements (Loveridge Road, Leland Road)
- City Corporation Yard Underground Fuel Tank Removal/Replacement
- Highland Ranch Reservoir Recoating
- Water Treatment Plant Capital Repairs and Filter Media Replacement

OTHER INFORMATION

The City is responsible for establishing and maintaining internal control structures designed to ensure that the assets are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structures are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit and Compliance

As a recipient of federal and state financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the Finance staff of the City. In management's opinion, the City's internal controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions. In addition, the results of the City's Single Audit for the fiscal year ended June 30, 2020, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

The City maintains budgetary controls to safeguard City assets and ensures compliance with legal provisions embodied in the annual appropriated budget as approved by the City Council. Activities of the General Fund, Special Revenue funds and Capital Projects funds are included in the annual appropriated budget. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also applies and maintains an encumbrance accounting system as a technique to accomplishing budgetary control. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management. The City has received the "Government Finance Officers Association's Distinguished Budget Presentation" award for its budget document.

Appropriations Limit

Proposition 4, the "Gann" initiative, was passed by California voters in 1978 and is intended to limit governmental General Fund appropriations. The appropriation limit is calculated each year based upon FY 1978-79 appropriations, modified by the composite consumer price index, and population changes that have occurred in subsequent years. The City's General Fund appropriation limit for FY 2020-21 amounted to $176.7 million. The City's FY 2020-21 General Fund budget was $43.1 million, which is below the appropriation limit.

Cash Management

The City temporarily holds idle cash in the Local Agency Investment Fund (LAIF) as administered by the Treasurer of the State of California. LAIF invests in obligations of the United States

Treasury, Federal Agency Coupons and Discount Notes, Medium Term Notes, and Certificates of Deposit. These investments are permitted under an investment policy adopted by the City Council which defines eligible investments and maturities of the City's investment portfolio and requires securities to be held by the City or by a qualified custodial institution and registered in the name of the City. The quarterly return on LAIF pooled investments on June 30, 2021, was 0.33%, a decrease of 1.03% compared to the prior fiscal year of 1.36%. Total LAIF interest earnings were $269,567 for FY 2020-21 a decrease of $254,444 compared to the prior fiscal year amount of $524,011.

Risk Management

The City is self-insured for the first $25,000 of each loss and maintains excess liability insurance through the Management Pooling Authority (MPA). The City is self-insured for liability occurrences over $29 million per occurrence. The City also maintains statutory excess workers' compensation insurance through the MPA.

Independent Audit

Independent public accounting firm, Maze & Associates, Certified Public Accountants has examined the financial statements of the City and its affiliated agencies. Their opinion on the City's financial statements and supplemental information is included within this report.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pittsburg for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. In order to receive the "Certificate of Achievement" award, a government agency must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both the GAAP and applicable legal requirements.

Acknowledgements

The preparation of this report is the result of the concerted effort and dedication of all employees of the City of Pittsburg Finance Department. However, we would like to acknowledge Laura Mendez and the extra effort she invested in completing this year's Audited Financial Statements.

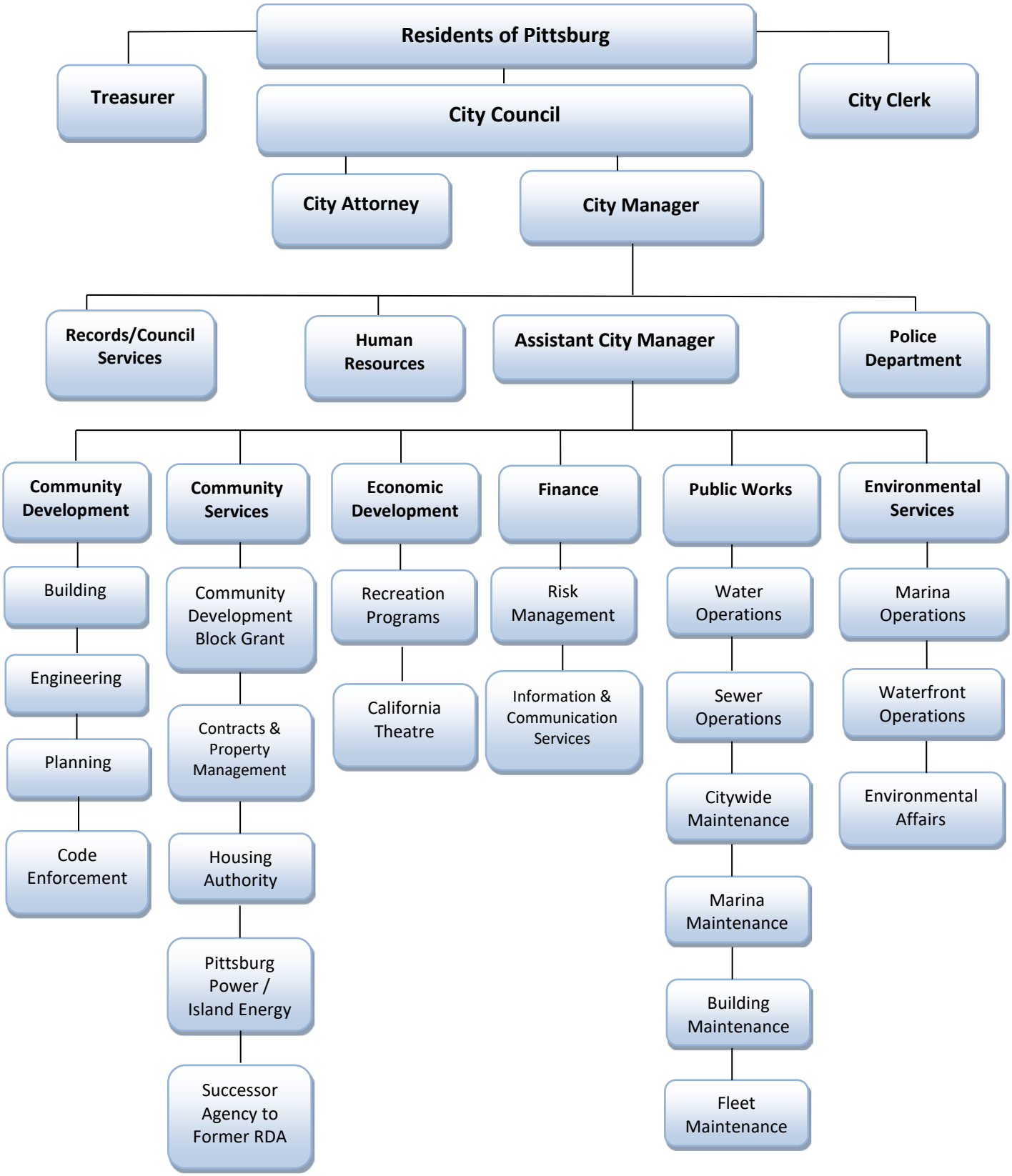
Finally, we would like to thank the Mayor, Members of the City Council, and City Treasurer for their support in planning and conducting the financial operations of the City in a responsible and transparent manner.

Respectfully submitted,

Garrett Evans
City Manager

Paul Rodrigues
Finance Director

➢ CIT□ GOVERNMENT ORGANI□ATION



City of Pittsburg
Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2021

City Council

Merl Craft, Mayor
Holland Barrett White, Vice Mayor
Juan Antonio Banales, Council Member
Jelani Killings, Council Member
Shanelle Scales-Preston, Council Member

Other Elected Officials

Alice E. Evenson, City Clerk
Nancy L. Parent, City Treasurer

City Attorney

Donna Mooney, Esquire, City Attorney

Management Staff

Garrett Evans, City Manager
Brian Addington, Chief of Police
Alice E. Evenson, Director of Records and Council Services
Stacey Shell, Director of Human Resources
Maria Aliotti, Deputy City Manager/Director of Community Services
Jill Hecht, Interim Deputy City Manager/Director of Community Development
Kolette Simonton, Assistant Director of Economic Development and Recreation
Paul Rodrigues, Finance Director
Jordan Davis, Director of Economic Development

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

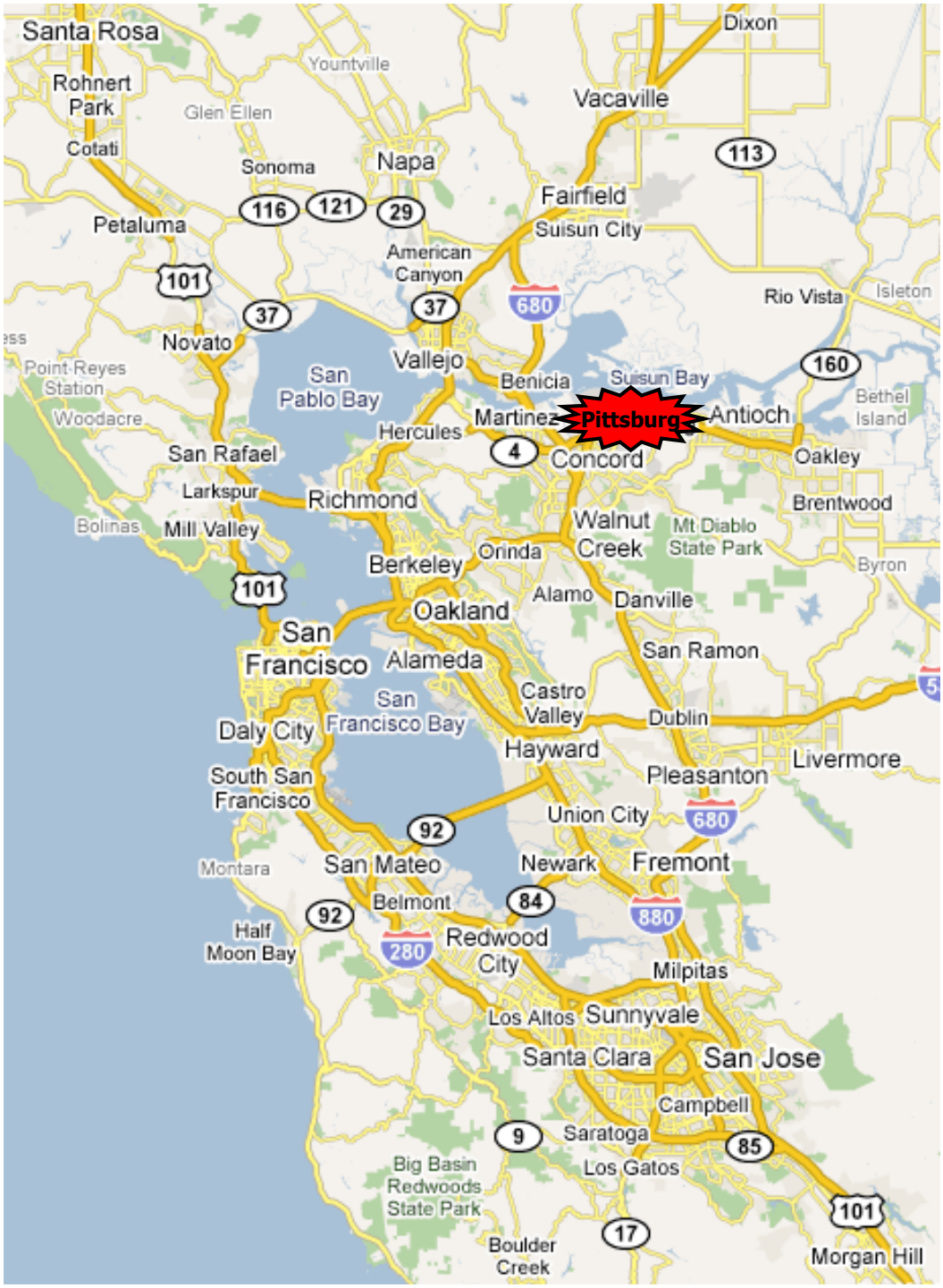
City of Pittsburg
California

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO


Santa Rosa
Rohnert Park
Cotati
Petaluma
Yountville
Glen Ellen
Sonoma
Napa
Vacaville
Dixon
113
116
121
29
Fairfield
Suisun City
American Canyon
37
680
101
Novato
Point Reyes Station
Woodacre
San Pablo Bay
Vallejo
Benicia
Suisun Bay
Rio Vista
Isleton
160
Bethel Island
Martinez
Pittsburg
Antioch
Hercules
4
Concord
Oakley
San Rafael
Larkspur
Mill Valley
Bolinas
Richmond
Walnut Creek
Mt Diablo State Park
Brentwood
Byron
Orinda
Berkeley
Alamo
Danville
Oakland
San Francisco
Alameda
San Ramon
Castro Valley
Dublin
San Francisco Bay
Daly City
Hayward
Livermore
Pleasanton
South San Francisco
Union City
92
Montara
San Mateo
Newark
Fremont
Belmont
84
880
Half Moon Bay
280
Redwood City
Milpitas
Los Altos
Sunnyvale
Santa Clara
San Jose
Campbell
9
Saratoga
85
Big Basin Redwoods State Park
Los Gatos
17
Boulder Creek
Morgan Hill

INDEPENDENT AUDITOR'S REPORT

To the Honorable City Council of the
City of Pittsburg, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pittsburg, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

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 the 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 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 from 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 misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City'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 City'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.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2021, 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 Matters

Management adopted the provisions of the following Governmental Accounting Standards Board Statement, which became effective during the fiscal year ended June 30, 2021. The adoption had an effect on the financial statements as discussed in Note 1Q to the financial statements:

Statement No. 84 – *Fiduciary Activities*

Prior Period Adjustments

As discussed in Note 9D, the City made an adjustment to the beginning net positions and investments balances of an Internal Service Fund and Government Activities at July 1, 2020 due to the reporting of an investments.

The emphasis of the above matters does not constitute a modification to our opinions.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other Required Supplementary Information, as listed in the Table of Contents, 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 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 City's basic financial statements as a whole. The Introductory Section, Supplementary Information, and Statistical Section listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information is the responsibility of management and was derived from and relates 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 United States of America. In our opinion, the Supplementary Information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have 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 them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021 our consideration of the City'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 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 City's internal control over financial reporting and compliance.



Pleasant Hill, California
December 22, 2021



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Pittsburg, we offer readers this discussion and analysis of the City's financial performance for the year ending June 30, 2021 (FY 2020-21). The accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures in this report, are the responsibility of the City. The report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standard Board (GASB). We encourage readers to consider the information presented here in conjunction with additional information which can be found in the introductory section of this report and within the City's financial statements, which follow this discussion.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflow of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the FY 2020-21 by $402.2 million (M) (*net position*).

The City's total net position of $402.2M increased from the prior FY 2020-21 by $20.7M. See below for breakdown of governmental and business type activities:

As of June 30, 2021, the City's governmental fund balances saw an increase of $21.2M resulting in a balance of $72.9M compared to the prior fiscal year balance of $51.7M. The difference is a combination of additional general revenues: increase in taxes and fees and an offsetting of costs incurred in personnel, contractual and capital outlay expenditures.

- As of June 30, 2021, the fund balance (total assets minus total liabilities) for the General Fund, which includes the Budget Stabilization and Economic Development funds, was $34.5M. The detail of this amount is as follows: $1.3M was designated as "Nonspendable" for items that are not in a spendable form such as deposits, interfund advances and inventory, $1.2M was designated as "Assigned" for economic development activities and encumbrances intended to be used for specific purposes designated by the City Council and $32.0M as unassigned. The unassigned balance consists of $29.6M in General Fund operating reserve available to cover expenses in the event of an emergency and $2.4M in the Budget Stabilization Fund that can be used to balance future budgets subject to the limits of the Fiscal Sustainability Ordinance.

- There are four major funds in the Governmental Funds section of the Annual Comprehensive Financial Report: 1) the General Fund, 2) Housing Authority (Section 8), 3) Successor Agency Housing and 4) Miscellaenous Grants.

As of June 30, 2021, the City's net position from business type activities (enterprise funds) increased by approximately $10.0M from $149.9M to $159.9M. The increase is a combination of additional fees due to rate increases, and an increase in net capital assets.

- There are five major enterprise funds in the Proprietary Funds section of the Annual Comprehensive Financial Report: (1) Water Utility, (2) Sewer Utility, (3) Marina, (4) Pittsburg Power Company (including Island Energy) and (5) Waterfront Operations.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements - The Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. These statements consist of:

- The Statement of Net Position presents information on all the City's assets and deferred outflow of resources and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

- The Statement of Activities presents information reflecting any change in the government's net position during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs (regardless of the timing of related cash flows). Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation and compensated leave of absence).

Both of the Government-Wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include legislative and legal, general government, public safety, public works, community development and recreation. The business-type activities of the City include Water, Sewer, Marina, Pittsburg Power Company (includes Island Energy operation), and Waterfront Operations.

The Government-Wide Financial Statements include not only the City but the Housing Authority and Housing Successor Agency. Financial information for these component units are blended with the financial statements of the primary government itself.

Fund Financial Statements – A "fund" is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and City's fiduciary funds.

- ***Governmental Funds*:** These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the Government-Wide Financial Statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. However, this information does not encompass the additional long-term focus of the government-wide statements. Reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow each of the governmental funds statements.

The City maintains 48 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for four funds that are considered to be major funds. These funds consist of the General Fund, Housing Authority (Section 8), the Successor Agency Housing Fund and Miscellaneous Grant Fund. Data from the other 44 governmental funds, which are combined into a single, aggregated presentation under Other Governmental Funds, are considered as non-major funds.

A budgetary comparison statement has been provided for the funds that have an adopted budget to demonstrate compliance with this budget.

***Proprietary Funds*:** The City maintains two different types of proprietary funds; Enterprise Funds and Internal Service Funds. Enterprise Funds are used to report the same functions presented as "business-type activities" in the Government-Wide Financial Statements. The Enterprise Funds are used to account for Water, Sewer, Marina, Pittsburg Power Company (including Island Energy), and Waterfront Operations.

- *Enterprise Funds* provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Proprietary Fund Financial Statements provide separate information for the Water Fund, the Sewer Fund, the Marina Fund, Pittsburg Power Company (including Island Energy), and Waterfront Operations, all of which are considered to be major funds. Conversely, Internal Service Funds are combined into a single, aggregated presentation in the Proprietary Fund Financial Statements.

- *Internal Service* funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses Internal Service Funds to account for maintaining its fleet of vehicles, building maintenance, information and communication systems, risk management/insurance, and employee fringe benefits activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within "governmental activities" in the government-wide financial statements.

***Fiduciary Funds*:** Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the Government-Wide Financial Statement because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary Funds is much like that which is used for Proprietary Funds. The Assessment District Bonds Fund, the Environmental Impact Fee Fund and the Other Impact Fees Fund are held as Fiduciary Funds by the City. With the dissolution of Redevelopment Agency per AB 26, as amended by AB 1484, the activities of the Successor Agency of the Former Redevelopment Agency are reported as Private Purpose Trust Fund in the Fiduciary Fund section. Also, included in the Fiduciary Funds is the Miscellaneous Employee Retirement System.

Notes To The Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The following GASB pronouncements were effective in fiscal year 2020-2021.

GASB Statement No. 84 – Fiduciary Activities.

GASB Statement No. 90 – Majority Equity Interests.

For a detailed description of the all the pronouncements that apply to the City, see Note 1R – Summary of Significant Accounting Policies.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position – As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, combined net position (government and business-type activities) totaled $402.2M at the close of the Fiscal Year ending June 30, 2021, which is $20.7M more than the Fiscal Year ending June 30, 2020.

The Government-Wide Financial Statements provide long-term and short-term information about the City's overall financial condition. This analysis addresses the financial statements of the City as a whole. The following table reflects the Summary of Net Position for the Fiscal Year ended June 30, 2021 with the comparative data for the Fiscal Year ended June 30, 2020.

City of Pittsburg
Summary of Net Position
As of June 30, 2021

	Governmental Activities		Business-Type Activities		Total	
	2020	2021	2020	2021	2020	2021
Current Assets	$ 100,928,637	$ 130,401,040	$ 64,288,094	$ 64,894,184	$ 165,216,731	$ 195,295,224
Capital Assets	244,907,847	239,877,217	148,190,862	155,850,504	393,098,709	395,727,721
Total Assets	345,836,484	370,278,257	212,478,956	220,744,688	558,315,440	591,022,945
Deferred Outflow of Resources	14,013,525	13,423,774	2,745,011	2,272,144	16,758,536	15,695,918
Current Liabilities	13,104,544	23,220,436	10,767,274	9,540,580	23,871,818	32,761,016
Non-Current Liabilities	110,278,385	114,609,448	53,138,317	52,799,981	163,416,702	167,409,429
Total Liabilities	123,382,929	137,829,884	63,905,591	62,340,561	187,288,520	200,170,445
Deferred Inflows of Resources	4,845,899	3,529,618	1,365,035	779,198	6,210,934	4,308,816
Net Investment in Capital Assets	242,952,736	238,477,548	111,213,656	121,335,984	354,166,392	359,813,532
Restricted	35,381,734	20,474,166	34,914,919	31,637,948	70,296,653	52,112,114
Unrestricted	(46,713,289)	(16,609,185)	3,824,766	6,923,141	(42,888,523)	(9,686,044)
Total Net Position as Restated (Note 9E)	$ 231,621,181	$ 242,342,529	$ 149,953,341	$ 159,897,073	$ 381,574,522	$ 402,239,602

Current assets are assets that are liquid in nature or can be converted into cash quickly. Current liabilities are outstanding liabilities that are due within one year.

The Statement of Net Position contains more detailed information on current assets, capital assets, deferred outflows of resources, current liabilities, non-current liabilities and deferred inflows of resources.

At the end of the FY 2020-21 the total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by $402.2M.

Statement of Activities – In FY 2020-21 the City's total Governmental expenditures of $93.0M were less than the revenues and transfers of $102.5M by $9.5M. The City's expenses cover a range of services for the Governmental Activities: the largest expenses were in Public Safety $32.7M, Community Development and Services $31.6M and Public Works $16.3M. These expenses include capital outlays, which are now reflected in the City's capital assets. Further analysis is provided within the governmental and business-type sections on the following pages. For additional information on the Capital Assets, please refer to Note 6 – Capital Assets disclosure.

Governmental and Business Activities – Governmental Activities reflect a increase of $9.5M in net position, and Business Activities reflect an increase of $10.0M in net position for the FY 2020-21. A comparison of the cost of services by function for the City's Governmental Activities is shown below, along with the revenues used to cover the net expenses of the Governmental Activities, as well as comparative data from the FY 2019-20.

Statement of Activities
Fiscal Year Ended June 30, 2021
With comparative data for fiscal year ended June 30, 2020

	Governmental Activities		Business-Type Activities		Total	
	2020	2021	2020	2021	2020	2021
Revenue:						
Program Revenues:						
Charges for Services	$ 19,543,519	$ 25,980,476	$ 41,732,224	$ 48,291,304	$ 61,275,743	$ 74,271,780
Operating Grants and Contributions	18,031,974	20,512,898	109,206	167,980	18,141,180	20,680,878
Capital Grants and Contributions	822,332	1,442,355	27,347	-	849,679	1,442,355
Sub-Total	38,397,825	47,935,729	41,868,777	48,459,284	80,266,602	96,395,013
GeneralRevenues:						
Property Taxes	4,082,582	4,455,736	-	-	4,082,582	4,455,736
Sales Tax	15,771,436	20,565,598	-	-	15,771,436	20,565,598
Franchise Fees	5,401,845	5,559,335	-	-	5,401,845	5,559,335
Motor Vehicle in lieu fees	5,374,375	5,720,207	-	-	5,374,375	5,720,207
Gas Taxes	2,961,750	3,032,772	-	-	2,961,750	3,032,772
Other Taxes	9,692,654	10,138,087	-	-	9,692,654	10,138,087
Investment Earnings-Unresticted	1,673,126	2,876,478	1,826,709	423,675	3,499,835	3,300,153
Gain on Sale of Assets			-	-	-	-
Sub-Total	44,957,768	52,348,213	1,826,709	423,675	46,784,477	52,771,888
Total Revenues	83,355,593	100,283,942	43,695,486	48,882,959	127,051,079	149,166,901
Expenses:						
General Government	4,158,802	4,610,749	-	-	4,158,802	4,610,749
City Council	101,905	96,800	-	-	101,905	96,800
City Manager & Clerk	802,405	730,922	-	-	802,405	730,922
City Attorney	289,919	243,717	-	-	289,919	243,717
Human Resources	1,281,046	1,263,280	-	-	1,281,046	1,263,280
Finance and Services	2,122,252	1,990,064	-	-	2,122,252	1,990,064
Community Development & Services	26,825,797	31,619,115	-	-	26,825,797	31,619,115
Public Safety	34,581,759	32,746,859	-	-	34,581,759	32,746,859
Public Works	16,632,134	16,286,229	-	-	16,632,134	16,286,229
Interest on Long-Term Debt	4,354,271	3,361,276	-	-	4,354,271	3,361,276
Water Utility	-	-	20,348,775	21,084,939	20,348,775	21,084,939
Sewer Utility	-	-	2,931,682	3,019,946	2,931,682	3,019,946
Marina	-	-	2,548,501	2,783,372	2,548,501	2,783,372
Pittsburg Power	-	-	7,701,669	8,492,592	7,701,669	8,492,592
Waterfront Opertions	-	-	1,459,490	1,343,580	1,459,490	1,343,580
Total Expenses	91,150,290	92,949,011	34,990,117	36,724,429	126,140,407	129,673,440
Increase(Decrease) in Net Position before Transfers	(7,794,697)	7,334,931	8,705,369	12,158,530	910,672	19,493,461
Transfers	1,170,833	2,214,798	(1,170,833)	(2,214,798)	-	-
Change in Net Position	(6,623,864)	9,549,729	7,534,536	9,943,732	910,672	19,493,461
Net Position-Beginning of Year (Restated-Note 9E)	238,245,045	231,621,181	142,418,805	149,953,341	380,663,850	381,574,522
Prior period adjustment due to Section 115 Pension Trust account reported as investments	-	1,171,619	-	-	-	1,171,619
Net Position - End of Year	$ 231,621,181	$ 242,342,529	$ 149,953,341	$ 159,897,073	$ 381,574,522	$ 402,239,602

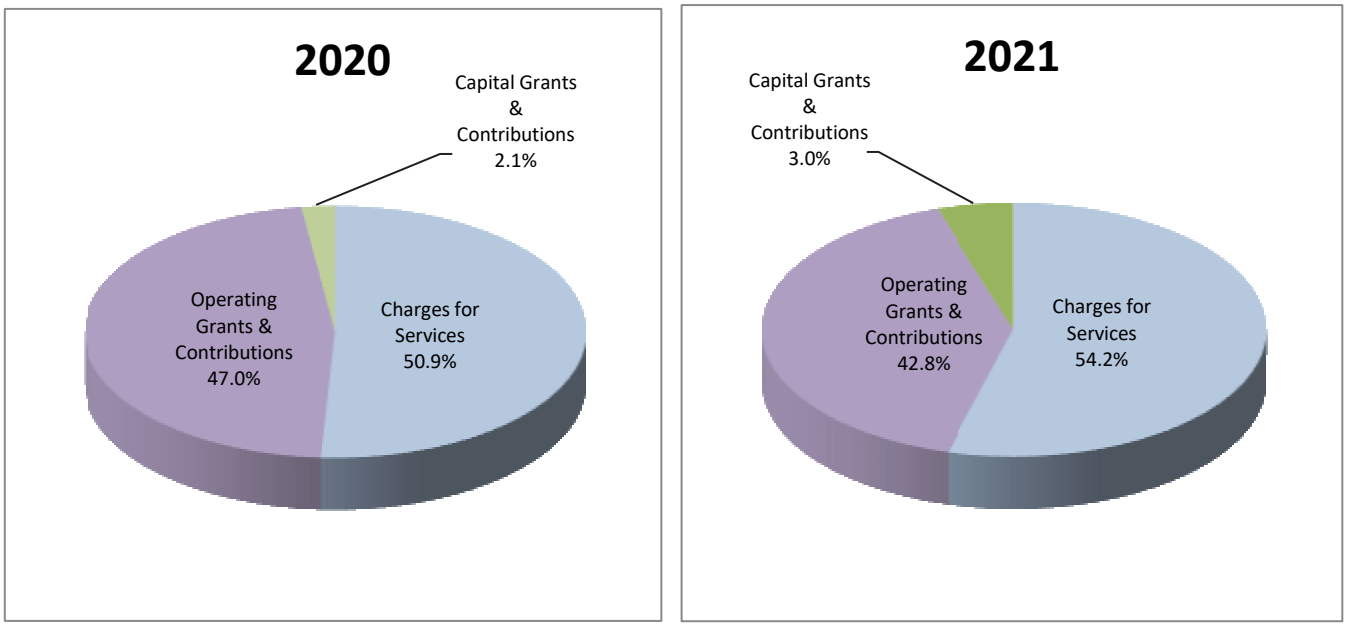
Total Program Revenues from Governmental Activities were $48.0M in FY 2020-21. Per GASB 34, program revenues are derived directly from the program or from parties outside the reporting government's taxpayers or citizenry. Program Revenues reduce the net cost of the program to be financed from the government's general revenues. As reflected in the pie chart below, 54.2% of the Governmental Program Revenues came from Charges for Services (which includes licenses and permits, plan checking fees, developer fees and several other revenues), 42.8% from the Operating Grants and Contributions category (including restricted revenues such as Gas Tax, Measure J Tax, Asset Seizure fund and Federal/State Grants), and 3.0% from Capital Grants and Contributions.

The Charges for Services increased by $6.4M primarily due to (1) Fairfield Belmont loan payoff of $4.0M in current fiscal year, (2) $2.2M increase in project completions for FY 2020-21 as compared to prior FY 2019-2020, projects were put on hold due to the Shelter In Place from the County because of the pandemic. The City received $0.2M more in RPTTF for FY 2020-21.

The Operating Grants and Contributions increased by $2.5M. primarily due to (1) receiving $1.2M more funding for our Housing Choice Voucher program from HUD for prior year backbillings and the absorption of the Portability Program and $0.9M Cares Act State Grant funding and (2) $0.4M for various operating grants.

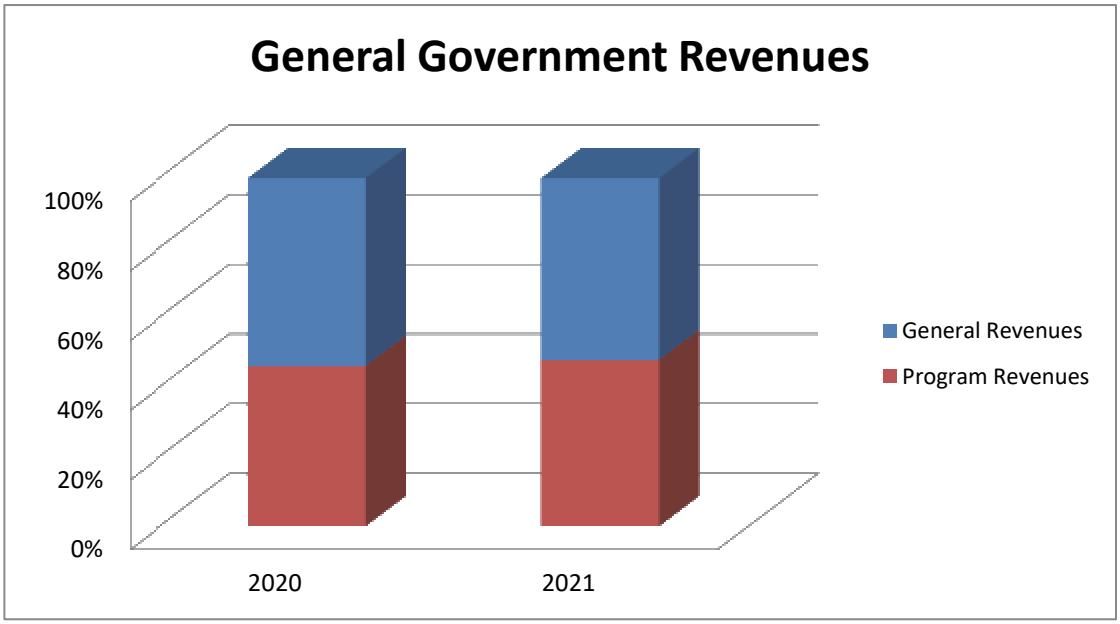
Capital Grants and Contributions increased by $0.6M, due to receiving more federal grant funding in FY 2020-21 for capital projects.

Government Revenues by Program Type

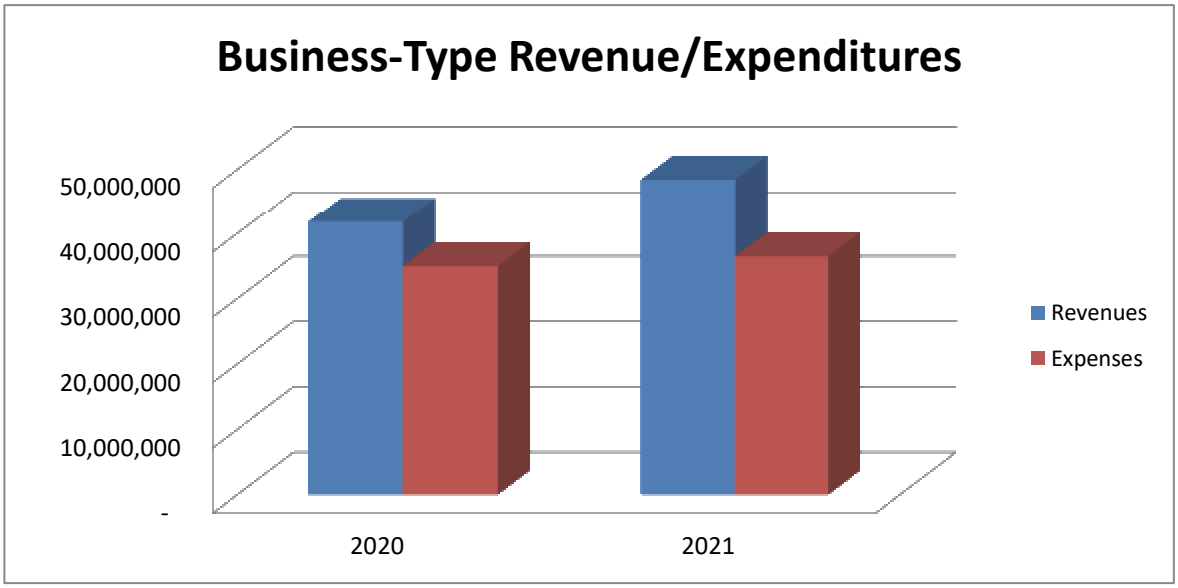


About 52% of General Government services in FY 2020-21 were funded by General Revenues. General Revenues are all other revenues not categorized as program revenues such as property taxes, sales taxes, intergovernmental and investment earnings. Interest on long-term debt is paid through general revenues.

General revenues from Governmental Activities represented $52.3M or 52.2% of total City revenues, and Program revenues reflected $47.9M or 47.8% of total Governmental Activities revenues. Sales Taxes comprised the largest percentage of General Revenues, $20.6M or 20.5%, received during the fiscal year.



Business-Type Activities – Net position for Business-Type Activities was $159.9M, a net increase of $10.0M over the prior fiscal year. Total program revenues for Business-Type Activities were $48.5M. Total expenses for Business-Type Activities were $36.7M for the FY 2020-21. The increases in both revenues and expenses are attributed to fee increases for revenues, with offset increase in raw supplies for water and other operating expenses.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the City's Governmental Funds is to provide information on near-term inflows, outflows, and balances of spending resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Housing Authority Housing Choice Voucher (HCV) Program, which is reported as a Special Revenue Fund, saw an decrease in fund balance of $0.3M. This is due to a extra Housing Assistance payments incurred in FY 2020-21.

General Fund Budgetary Highlights – The final amended budget totaled $47.4M, including $3.9M for prior fiscal year budget carry forward totals and new appropriation amendments to the originally adopted budget. These amendments are briefly summarized below.

The City Council approved the following budget carry-forwards and amendments during the current fiscal year:

Budget Carry Forwards:		**Approved Amendements:**	
Public Works Adminstration - Contractural Services	$ 8,000	Human Resources	$ 55,846
Public Works Streets - Contractural Services	28,426	Building	44,350
		Engineering	308,353
		Recreation	249,646
		Public Safety	1,261,521
		Public Works - Street	21,129
		Non-Departmental	1,934,778
Total Budget Carryovers	$ 36,426	Total Amendments	$ 3,875,623
		Grand Total	$ 3,912,049

At the close of the FY 2020-21, General Fund revenues exceeded the revised budget by $6.3M. This increase is primarily attributable to general revenues such as taxes and fees.

General Fund Expenditures were $1.3M higher than the original budget and $3.7M lower than the revised budget. This is the result of most of the General Fund operating departments and projects, prudently operating under budget. Staff has taken great care over the past several years to reduce or delay spending on non-critical items during the current fiscal year in an effort to meet the requirements of the City's Budget Stabilization Ordinance. As a result of delayed spending, the City has $36,426 in budgetary carry forwards to FY 2021-22. These carryovers reflect the City's continued commitment to reinvest in the areas of greatest need while exercising care in the manner in which it spends available resources.

Unearned revenue in the General Fund is $2.3M. The balance consists of $2.0M for future infrastructure construction projects and $0.3M for various projects within the City. Please see Note 4 for further explanation.

The City's Proprietary Funds provide the same type of information found in the Government-Wide Financial Statements, but with more detail. According to standardized Governmental reporting, the Water Fund, Sewer Fund, and Pittsburg Power Company are major funds. The Marina and Waterfront Operation Funds are not considered to be major funds; however, the City has elected to continue to report the Marina and Waterfront Operation Funds as major funds.

Total net position of the Business-Type Activities was $159.9M at the end of the year, an increase of $10.0M from the prior fiscal year.

Capital Asset and Debt Administration – The City's investment in capital assets for its Governmental and Business Type activities as of June 30, 2021, was $395.7M (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, highways, bridges, water lines, and sewer and storm systems. The total increase in the City's investment in capital assets net of depreciation was $2.6M as compared to prior year.

City of Pittsburg
Capital Assets
(Net of Depreciation)
June 30, 2021

	Governmental Activities		Business-Type Activities		Total	
	2020	2021	2020	2021	2020	2021
Non-depreciable assets:						
Land	$ 36,285,723	$ 36,285,723	$ 2,187,105	$ 2,187,105	$ 38,472,828	$ 38,472,828
Construction in Progress	14,947,735	16,531,188	26,578,672	37,273,401	41,526,407	53,804,589
Total	51,233,458	52,816,911	28,765,777	39,460,506	79,999,235	92,277,417
Depreciable assets (net of depreciation):						
Buildings and improvements	58,142,932	58,778,421	23,233,304	22,840,968	81,376,236	81,619,389
Machinery and Equipment	5,188,183	4,316,853	5,664,174	5,336,963	10,852,357	9,653,816
Infrastructure	130,343,274	123,965,032	90,527,607	88,212,067	220,870,881	212,177,099
Total	193,674,389	187,060,306	119,425,085	116,389,998	313,099,474	303,450,304
Total	$ 244,907,847	$ 239,877,217	$ 148,190,862	$ 155,850,504	$ 393,098,709	$ 395,727,721

Please see more detailed information regarding the City's capital assets in Note 6 of the Basic Financial Statements.

Debt Service Administration – At the end of the fiscal year, the City had total long-term debt outstanding of $34.3M which consisted of: 2006 Pension Obligation Bonds in the amount of $32.3M, a loan from California Energy Resources Conservation and Development Commission for conversion of the City's light poles to more energy efficiency LED lights in the amount of $72,853, a telephone voice over internet protocol (VOIP) system capital lease for $121,208, fleet vehicles/street sweeper capital lease for $287,415, various fleet equipment for $162,683, vehicles/equipment for $609,754 and a loan from PG&E to partially fund the replacement of the City Hall Chiller in the amount of $145,756. As of June 30, 2021, the $34.5M in Business-Type Activities Long Term Debt comprised of one revenue bond of, $24.6M and a California Infrastructure and Economic Development Bank (I-Bank) loan for financing the modifications of Pittsburg Water Treatment Plant and other infrastructures in the amount of $9.9M.

City of Pittsburg
Long-Term Debt
June 30, 2021

	Governmental Activities		Business-Type Activities		Total	
	2020	2021	2020	2021	2020	2021
Pension Obligation Bonds	$ 33,422,178	$ 32,872,243	$ -	$ -	$ 33,422,178	$ 32,872,243
Energy Conservation Loan	143,568	72,853	-	-	143,568	72,853
Capital Lease - VOIP	242,417	121,208	-	-	242,417	121,208
Capital Lease - Street Sweeper	23,907	-	-	-	23,907	-
PG&E Efficient Loan	167,085	145,756	-	-	167,085	145,756
Capital Lease-Fleet Vehicles/Street Sweeper	395,018	287,415	-	-	395,018	287,415
Capital Lease-Fleet Equipment	212,954	162,683	-	-	212,954	162,683
Capital Lease- Vehicles/Equipment	770,075	609,754	-	-	770,075	609,754
2008 A Revenue Bonds	-	-	-	-	-	-
2016 Water Revenue Refunding Bonds	-	-	25,975,000	24,570,000	25,975,000	24,570,000
2014 Waste Water Revenue Bonds	-	-	796,000	-	796,000	-
2014 I-Bank Loan	-	-	10,206,206	9,944,520	10,206,206	9,944,520
Total	$ 35,377,202	$ 34,271,912	$ 36,977,206	$ 34,514,520	$ 72,354,408	$ 68,786,432

Please see more detailed information regarding the City's outstanding debt in Note 7 of the Basic Financial Statements.

Looking Forward

The City is proud of the results of the current year's activities. The Department Heads and their staff take a great deal of pride providing top quality services to the residents and business community, while being fiscally conservative. This approach requires City staff to consistently monitor all of the expenses while exploring and utilizing every alternative revenue source.

Requests for Information – This financial report is designed to provide a general overview of the finances for the City of Pittsburg. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Pittsburg, Finance Department, 65 Civic Avenue, Pittsburg, California 94565.

BASIC

FINANCIAL

STATEMENTS



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

GOVERNMENT-WIDE

FINANCIAL

STATEMENTS



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

City of Pittsburg
STATEMENT OF NET POSITION
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments (Note 2)	$ 81,272,999	$ 56,501,941	$ 137,774,940
Restricted cash and investments (Note 2)	5,064,265	-	5,064,265
Receivables:			
Accounts	9,875,536	6,858,635	16,734,171
Interest	212,193	-	212,193
Loans/notes (Note 3)	34,114,508	196,571	34,311,079
Internal balances (Note 1H)	(1,039,990)	1,039,990	-
Inventory	814,987	223,375	1,038,362
Prepaid items and other assets	86,542	73,672	160,214
Total current assets	130,401,040	64,894,184	195,295,224
Noncurrent assets:			
Capital assets (Note 6):			
Land and nondepreciable assets	52,816,911	39,460,506	92,277,417
Depreciable capital assets, net of accumulated depreciation	187,060,306	116,389,998	303,450,304
Total capital assets, net	239,877,217	155,850,504	395,727,721
Total Assets	370,278,257	220,744,688	591,022,945
DEFERRED OUTFLOWS OF RESOURCES			
Pension related (Note 11)	12,803,302	2,059,544	14,862,846
OPEB related (Note 12)	620,472	212,600	833,072
Total Deferred Outflows of Resources	13,423,774	2,272,144	15,695,918
LIABILITIES			
Current liabilities:			
Accounts payable	2,798,803	2,768,721	5,567,524
Salaries payable	520,131	-	520,131
Interest payable (Note 1J)	674,978	619,551	1,294,529
Refundable deposits	1,320,077	1,662,773	2,982,850
Taxes payable	30,231	105,616	135,847
Loans payable	121,813	-	121,813
Unearned revenue (Note 4)	12,046,541	1,968,407	14,014,948
Claims and judgment payable-due within one year (Note 10)	225,517	-	225,517
Compensated absences - due within one year (Note 1M)	2,531,717	694,641	3,226,358
Long-term debt - due within one year (Note 7)	2,950,628	1,720,871	4,671,499
Total current liabilities	23,220,436	9,540,580	32,761,016
Noncurrent liabilities:			
Compensated absences - due in more than one year (Note 1M)	843,906	231,548	1,075,454
Net pension liability - due in more than one year (Note 11)	55,780,114	10,415,660	66,195,774
Net OPEB liability - due in more than one year (Note 12)	26,664,144	9,359,124	36,023,268
Long-term debt - due in more than one year (Note 7)	31,321,284	32,793,649	64,114,933
Total noncurrent liabilities	114,609,448	52,799,981	167,409,429
Total Liabilities	137,829,884	62,340,561	200,170,445
DEFERRED INFLOWS OF RESOURCES			
Pension related (Note 11)	1,999,243	254,264	2,253,507
OPEB related (Note 12)	1,530,375	524,934	2,055,309
Total Deferred Inflows of Resources	3,529,618	779,198	4,308,816
NET POSITION (Note 9)			
Net investment in capital assets	238,477,548	121,335,984	359,813,532
Restricted for:			
Capital projects	17,224,096	21,856,764	39,080,860
Debt service	3,250,070	805,254	4,055,324
Facility fee reserve	-	8,975,930	8,975,930
Total restricted net position	20,474,166	31,637,948	52,112,114
Unrestricted	(16,609,185)	6,923,141	(9,686,044)
Total Net Position	$ 242,342,529	$ 159,897,073	$ 402,239,602

See accompanying notes to financial statements

City of Pittsburg
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Total
Governmental Activities:							
General government	$ 4,610,749	$ 9,365,280	$ 917,651	$ 791,958	$ 6,464,140		$ 6,464,140
City Council	96,800	-	-	-	(96,800)		(96,800)
City Manager and City Clerk	730,922	45	-	-	(730,877)		(730,877)
City Attorney	243,717	-	-	-	(243,717)		(243,717)
Human resources	1,263,280	-	-	-	(1,263,280)		(1,263,280)
Finance and services	1,990,064	153,308	-	-	(1,836,756)		(1,836,756)
Community development and services	31,619,115	9,993,907	18,441,806	141,410	(3,041,992)		(3,041,992)
Public safety	32,746,859	2,242,981	358,237	19,934	(30,125,707)		(30,125,707)
Public works	16,286,229	4,224,955	795,204	489,053	(10,777,017)		(10,777,017)
Interest on long-term debt	3,361,276	-	-	-	(3,361,276)		(3,361,276)
Total Governmental Activities	92,949,011	25,980,476	20,512,898	1,442,355	(45,013,282)		(45,013,282)
Business-type Activities:							
Water Utility	21,084,939	29,104,815	-	-	-	$ 8,019,876	8,019,876
Sewer Utility	3,019,946	5,882,042	-	-	-	2,862,096	2,862,096
Marina	2,783,372	2,015,817	-	-	-	(767,555)	(767,555)
Pittsburg Power	8,492,592	9,655,712	167,980	-	-	1,331,100	1,331,100
Water Front Operations	1,343,580	1,632,918	-	-	-	289,338	289,338
Total Business-type Activities	36,724,429	48,291,304	167,980	-	-	11,734,855	11,734,855
Total	$ 129,673,440	$ 74,271,780	$ 20,680,878	$ 1,442,355	(45,013,282)	11,734,855	(33,278,427)
General revenues:							
Taxes:							
Property taxes					4,455,736	-	4,455,736
Sales taxes					20,565,598	-	20,565,598
Franchise taxes					5,559,335	-	5,559,335
Gas taxes					3,032,772	-	3,032,772
Other taxes					10,138,087	-	10,138,087
Motor Vehicle in-lieu (unrestricted)					5,720,207	-	5,720,207
Investment earnings-unrestricted					2,876,478	423,675	3,300,153
Transfers (Note 5C)					2,214,798	(2,214,798)	-
Total General Revenues and Transfers					54,563,011	(1,791,123)	52,771,888
Change in Net Position					9,549,729	9,943,732	19,493,461
Net Position - Beginning of Year, as restated (Note 9D)					232,792,800	149,953,341	382,746,141
Net Position-End of Year					$ 242,342,529	$ 159,897,073	$ 402,239,602

See accompanying notes to financial statements

FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Fund Financial Statements



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources which are not accounted for in another fund. The General Fund includes the Budget Stabilization and Economic Development fund balances and activity.

Housing Authority (Section 8) Special Revenue Fund was established to administer grants from the Housing and Urban Development Department (HUD) to subsidize the rental costs of low-income families and homeless veterans.

Successor Agency Housing Special Revenue Fund was established to account for activities related to the assets assumed by the City as Housing Successor to the Pittsburg Redevelopment Agency for the housing activities of the former Redevelopment Agency.

Miscellaneous Grants Fund – This fund receives various grants to administer the police, recreation, and public services and the American Rescue Plan Funding.

City of Pittsburg
Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Housing Authority (Section 8)	Successor Agency Housing
ASSETS			
Cash and investments (Note 2)	$ 33,005,955	$ 720,316	$ 5,641,606
Restricted cash and investments (Note 2)	-	-	-
Receivables:			
Accounts	5,960,991	347,481	-
Interest	212,193	-	-
Loans and notes (Note 3)	2,108,874	-	27,517,427
Due from other funds (Note 5A)	1,116,331	-	-
Inventory	61,506	1,374	-
Prepaid items and other assets	16,379	16,288	-
Advances to other funds (Note 5B)	-	-	1,588,162
Total Assets	$ 42,482,229	$ 1,085,459	$ 34,747,195
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 891,848	$ 413,400	$ 15,090
Salaries payable	513,852	-	-
Taxes payable	30,231	-	-
Refundable deposits	937,184	2,630	-
Loans payable	-	-	-
Unearned revenue (Note 4B)	2,290,124	384,983	-
Due to other funds (Note 5A)	-	-	-
Advances from other funds (Note 5B)	2,421,935	-	380,000
Total Liabilities	7,085,174	801,013	395,090
Deferred Inflows of Resources:			
Unavailable revenue (Note 4B)	883,895	-	27,517,427
Total Liabilities and Deferred Inflows of Resources	7,969,069	801,013	27,912,517
Fund Balances (Note 9):			
Nonspendable	1,302,864	17,662	-
Restricted	-	266,784	6,834,678
Committed	-	-	-
Assigned	1,190,087	-	-
Unassigned	32,020,209	-	-
Total Fund Balances	34,513,160	284,446	6,834,678
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 42,482,229	$ 1,085,459	$ 34,747,195

See accompanying notes to basic financial statements

Miscellaenous Grants	Other Governmental Funds	Total Governmental Funds
$8,532,860	$ 27,916,896	$ 75,817,633
-	3,110,048	3,110,048
75,760	2,290,950	8,675,182
-	-	212,193
-	4,488,207	34,114,508
-	-	1,116,331
57,167	252,973	373,020
-	12,813	45,480
-	3,773,125	5,361,287
$ 8,665,787	$ 41,845,012	$ 128,825,682
$42,219	$ 1,215,940	$ 2,578,497
-	-	513,852
-	-	30,231
-	380,263	1,320,077
-	121,813	121,813
8,565,391	806,043	12,046,541
-	326,758	326,758
-	3,468,125	6,270,060
8,607,610	6,318,942	23,207,829
-	4,366,394	32,767,716
8,607,610	10,685,336	55,975,545
57,167	265,786	1,643,479
1,010	29,670,863	36,773,335
-	4,939,883	4,939,883
-	64,160	1,254,247
-	(3,781,016)	28,239,193
58,177	31,159,676	72,850,137
$ 8,665,787	$ 41,845,012	$ 128,825,682

City of Pittsburg
Reconciliation of the
Governmental Funds Balance Sheet
with the Statement of Net Position
June 30, 2021

Total fund balances reported on the Governmental Funds Balance Sheet	$ 72,850,137
Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:	
CAPITAL ASSETS	
Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	236,942,721
LONG-TERM ASSETS AND LIABILITIES	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Governmental Funds:	
Long-term debt	(32,945,096)
Interest payable	(674,978)
Compensated absences	(3,250,200)
Net pension liability and related deferred inflows/outflows	(44,976,055)
Net OPEB liability and related deferred inflows/outflows	(27,574,047)
ACCRUAL OF NON-CURRENT ITEMS	
The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as assets or liabilities in the Governmental Funds:	
Unavailable revenue	32,767,716
ALLOCATION OF INTERNAL SERVICE FUND NET POSITION	
Internal Service Funds are not Governmental Funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance to individual Governmental Funds. The net current assets of the Internal Service Funds are therefore included in Governmental Activities in the following line items on the Statement of Net Position.	
Cash and investments	7,409,583
Accounts receivable	1,200,354
Inventory	441,967
Prepaid and other assets	41,062
Capital assets	2,934,496
Accounts and salaries payable	(226,585)
Compensated absences	(125,423)
Due to other funds	(789,573)
Advance from other funds	(131,217)
Claims and judgments payable	(225,517)
Capital lease	(1,326,816)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 242,342,529

See accompanying notes to financial statements



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

City of Pittsburg
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2021

	General Fund	Housing Authority (Section 8)	Successor Agency Housing
REVENUES:			
Property tax	$ 4,455,736	$ -	$ -
Sales tax	20,565,598	-	-
Franchise tax	5,409,271	-	-
Other taxes	1,622,076	-	-
Intergovernmental revenues	10,516,180	21,184,246	-
Permits, licenses, and fees	1,863,848	-	-
Fines and forfeitures	454,806	-	-
Special assessments	-	-	-
Service fees	3,909,911	1,132,209	9,415
Use of money and property	71,131	-	32,873
Other revenues	2,042,514	340,851	4,220,780
Total Revenues	50,911,071	22,657,306	4,263,068
EXPENDITURES:			
Current:			
General government	3,216,847	-	-
City Council	96,800	-	-
City Manager and City Clerk	601,456	-	-
City Attorney	246,608	-	-
Human resources	1,160,646	-	-
Finance and services	1,350,344	-	-
Community development and services	6,114,210	22,898,209	1,099,228
Public safety	28,165,006	-	-
Public works - administration	91,505	-	-
Public works - streets	2,435,204	-	-
Public works - parks	190,673	-	-
Capital outlay and improvements	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	43,669,299	22,898,209	1,099,228
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,241,772	(240,903)	3,163,840
OTHER FINANCING SOURCES (USES):			
Transfers in (Note 5C)	5,300,653	-	-
Transfers out (Note 5C)	(2,179,850)	(43,680)	(562)
Total Other Financing Sources (uses)	3,120,803	(43,680)	(562)
NET CHANGE IN FUND BALANCES	10,362,575	(284,583)	3,163,278
FUND BALANCES:			
Beginning of year	24,150,585	569,029	3,671,400
End of year	$ 34,513,160	$ 284,446	$ 6,834,678

See accompanying notes to basic financial statements

Miscellaenous Grants	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 4,455,736
-	-	20,565,598
-	150,064	5,559,335
-	5,609,376	7,231,452
262,256	4,012,296	35,974,978
-	4,182,668	6,046,516
-	31,549	486,355
-	4,576,970	4,576,970
-	4,469,427	9,520,962
852	2,766,616	2,871,472
40,608	899,529	7,544,282
303,716	26,698,495	104,833,656
-	80,160	3,297,007
-	-	96,800
-	-	601,456
-	-	246,608
-	-	1,160,646
-	253,454	1,603,798
67,385	2,335,895	32,514,927
112,701	1,063,291	29,340,998
-	566,476	657,981
-	7,893,881	10,329,085
-	-	190,673
-	1,060,331	1,060,331
-	2,390,715	2,390,715
-	1,815,451	1,815,451
180,086	17,459,654	85,306,476
123,630	9,238,841	19,527,180
-	4,603,755	9,904,408
(130,797)	(5,972,811)	(8,327,700)
(130,797)	(1,369,056)	1,576,708
(7,167)	7,869,785	21,103,888
$65,344	23,289,891	51,746,249
$ 58,177	$ 31,159,676	$ 72,850,137

City of Pittsburg
Reconciliation of the
Net Change in Fund Balances-Total Governmental Funds
with the Statement of Activities
For the year ended June 30, 2021

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	21,103,888
Amounts reported for Governmental Activities in the Statement of Activities are different because of the following:		
CAPITAL ASSETS TRANSACTIONS		
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.		
The capital additions from the following departments are therefore added back to fund balance:		
Capital outlay		1,060,331
Amount charged to public works department		3,713,804
Amount charged to public safety		388,932
Amount charged to community development and services department		569,760
Depreciation expense is deducted from the fund balance (Depreciation expense is net of Internal Service Fund depreciation $839,500 which has already been allocated to serviced funds.)		(9,969,399)
LONG TERM DEBT AND PAYMENTS		
Repayment of debt principal is added back to fund balance		2,390,715
Accreted interest is deducted from fund balance		(1,770,065)
ACCRUAL OF NON-CURRENT ITEMS		
The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):		
Interest payable		14,807
Deferred revenue		(3,423,081)
Compensated absences		(166,493)
Net pension liability, deferred inflows and deferred outflows		(1,050,532)
Net OPEB liability, deferred inflows and deferred outflows		(3,690,796)
ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY		
Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.		
Change in Net Position - All Internal Service Funds		377,858
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$	9,549,729

See accompanying notes to financial statements

PROPRIETARY FUND FINANCIAL STATEMENTS

The enterprise funds account for activities that are financed and operated in a manner similar to private business enterprises. The City Council has determined that the costs of providing the following services to the public be recovered primarily through user charges.

Water Utility Fund – This fund accounts for the revenues and expenses associated with management, operation, and maintenance of water treatment and distribution system to water customers of the City of Pittsburg. It also accounts for the maintenance of water plant, distribution reservoirs, and water lines.

Sewer Utility Fund – This fund accounts for the revenues and expenses associated with the maintenance and repair of 126 miles of sewer mains, sewer lift stations and sewer laterals within the City's right-of-way.

Marina Fund - This fund accounts for the revenues received from Marina berth rentals, from sales of gasoline, and expenditures from operation and maintenance.

Pittsburg Power Fund – This fund was created by the Joint Powers Agreement between the City of Pittsburg and the Redevelopment Agency to develop revenue streams, to manage different activities for power related projects, capital improvement projects, and bond issuance process. This fund also accounts for expenditures incurred in maintenance of the facilities, in distributing gas and electricity to the industries, schools, business, and residents of Mare Island, in Vallejo, and to account for revenues collected from services to customers.

Water Front Operations Fund – This fund was created for the collection of rents and other trust revenues from the tidelands granted by the Contra Costa County Local Agency Formation Commission within Pittsburg's city limits. The City shall submit a plan indicating details of intended development, preservation, or other use of the trust lands. Any use of the trust lands shall be consistent with the plan as approved by the Commission.

City of Pittburg
Statement of Net Position
Proprietary Funds
June 30, 2021

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
ASSETS			
Current assets:			
Cash and investments (Note 2)	$ 33,797,265	$ 10,893,249	$ 1,392,244
Restricted cash and investments (Note 2)	-	-	-
Receivables:			
Accounts	4,163,851	766,010	23,860
Loans receivable (Note 3)	-	-	-
Inventory	128,302	24,823	9,149
Prepaid items and other assets	35,414	523	3,244
Total current assets	38,124,832	11,684,605	1,428,497
Noncurrent assets:			
Advance to other funds (Note 5B)	-	664,990	-
Capital assets (Note 6):			
Land and nondepreciable assets	18,864,339	17,362,966	44,436
Depreciable assets, net	72,183,710	24,168,550	10,963,529
Total noncurrent assets	91,048,049	42,196,506	11,007,965
Total Assets	129,172,881	53,881,111	12,436,462
DEFERRED OUTFLOWS OF RESOURCES			
Pension related (Note 11)	1,000,350	235,376	176,532
OPEB related (Note 12)	114,464	25,909	19,577
Total Deferred Outflow of Resources	1,114,814	261,285	196,109
LIABILITIES			
Current liabilities:			
Accounts payable	1,048,270	805,956	99,388
Salaries payable	-	-	-
Refundable deposits	1,436,011	5,000	82,128
Taxes payable	-	-	23,821
Accrued interest payable	619,037	514	-
Due to other funds (Note 5A)	-	-	-
Unearned revenue (Note 4B)	-	-	-
Compensated absences payable - due within one year (Note 1M)	363,590	100,569	56,985
Claims and judgments payable - due within one year (Note 10)	-	-	-
Long-term debt - due within one year (Note 7)	1,720,871	-	-
Total current liabilities	5,187,779	912,039	262,322
Noncurrent liabilities:			
Advance from other funds (Note 5B)	-	-	-
Compensated absences payable - due in more than one year (Note 1M)	121,198	33,523	18,995
Net pension liability - due in more than one year (Note 11)	5,059,034	1,190,361	892,771
Net OPEB liability - due in more than one year (Note 12)	5,256,844	1,102,667	793,573
Long-term debt - due in more than one year (Note 7)	32,793,649	-	-
Total noncurrent liabilities	43,230,725	2,326,551	1,705,339
Total Liabilities	48,418,504	3,238,590	1,967,661
DEFERRED INFLOWS OF RESOURCES			
Pension related (Note 11)	123,500	29,059	21,794
OPEB related (Note 12)	283,176	63,875	48,166
Total Deferred Inflows of Resources	406,676	92,934	69,960
NET POSITION (Note 9)			
Net investment in capital assets	56,533,529	41,531,516	11,007,965
Restricted for:			
Capital projects	3,137,254	16,327,721	40,000
Debt service	-	805,254	-
Special purpose	-	-	-
Facility fees	7,731,663	1,244,267	-
Unrestricted	14,060,069	(9,097,886)	(453,015)
Total Net Position	$ 81,462,515	$ 50,810,872	$ 10,594,950

See accompanying notes to basic financial statements

Major Enterprise Funds		Total	Governmental Activities
Pittsburg Power	Water Front Operations	Enterprise Funds	Internal Service Funds
$ 10,060,464	$ 358,719	$ 56,501,941	$ 5,455,366
-	-	-	1,954,217
1,100,625	804,289	6,858,635	1,200,354
196,571	-	196,571	-
61,101	-	223,375	441,967
-	34,491	73,672	41,062
11,418,761	1,197,499	63,854,194	9,092,966
375,000	-	1,039,990	-
3,175,092	13,673	39,460,506	-
7,520,035	1,554,174	116,389,998	2,934,496
11,070,127	1,567,847	156,890,494	2,934,496
22,488,888	2,765,346	220,744,688	12,027,462
529,597	117,689	2,059,544	-
41,570	11,080	212,600	-
571,167	128,769	2,272,144	-
727,077	88,030	2,768,721	220,306
-	-	-	6,279
66,073	73,561	1,662,773	-
81,795	-	105,616	-
-	-	619,551	-
-	-	-	789,573
1,401,396	567,011	1,968,407	-
139,141	34,356	694,641	94,068
-	-	-	225,517
-	-	1,720,871	472,775
2,415,482	762,958	9,540,580	1,808,518
-	-	-	131,217
46,380	11,452	231,548	31,355
2,678,313	595,181	10,415,660	-
1,585,667	620,373	9,359,124	-
-	-	32,793,649	854,041
4,310,360	1,227,006	52,799,981	1,016,613
6,725,842	1,989,964	62,340,561	2,825,131
65,382	14,529	254,264	-
102,024	27,693	524,934	-
167,406	42,222	779,198	-
10,695,127	1,567,847	121,335,984	1,607,680
1,587,488	764,301	21,856,764	-
-	-	805,254	-
-	-	-	1,954,217
-	-	8,975,930	-
3,884,192	(1,470,219)	6,923,141	5,640,434
$ 16,166,807	$ 861,929	$ 159,897,073	$ 9,202,331

City of Pittsburg
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
OPERATING REVENUES:			
Charges for services	$ 25,845,767	$ 4,932,552	$ 1,233,119
Meter fees	73,808	-	-
Other fees	78,762	-	50
Facility reserve fees	2,975,505	655,386	-
Rent and concessions	-	-	51,205
Gas and oil sales	-	-	694,504
Other operating revenues	130,973	294,104	36,939
Total Operating Revenues	29,104,815	5,882,042	2,015,817
OPERATING EXPENSES:			
Salaries and wages	3,432,637	869,986	491,318
Department supplies	8,270,964	60,030	502,320
Rentals	23,543	2,201	18,879
Utilities	960,251	8,494	220,231
Maintenance and operations	551,519	-	375,327
Depreciation (Note 6)	1,729,112	737,812	497,224
Insurance premiums	-	-	-
Insurance deductible	282,143	71,813	36,743
Fringe benefits	3,344,912	847,418	490,464
Other operating expenses	1,000,789	413,384	150,866
Total Operating Expenses	19,595,870	3,011,138	2,783,372
OPERATING INCOME (LOSS)	9,508,945	2,870,904	(767,555)
NONOPERATING REVENUES (EXPENSES):			
Investment earnings	70,111	81,883	4,925
Intergovernmental	-	-	-
Interest and fiscal charges	(1,489,069)	(8,808)	-
Gain (loss) on disposal of assets	-	-	-
Total Nonoperating Revenues (Expenses)	(1,418,958)	73,075	4,925
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	8,089,987	2,943,979	(762,630)
CONTRIBUTIONS AND TRANSFERS:			
Transfers in (Note 5C)	1,058,776	-	-
Transfers out (Note 5C)	(394,462)	(1,098,686)	(56,994)
Total Contributions and Transfers	664,314	(1,098,686)	(56,994)
Change in Net Position	8,754,301	1,845,293	(819,624)
NET POSITION:			
Beginning of Year, as restated (Note 9D)	72,708,214	48,965,579	11,414,574
End of Year	$ 81,462,515	$ 50,810,872	$ 10,594,950

See accompanying notes to basic financial statements

Major Enterprise Funds			Governmental Activities
Pittsburg Power	Water Front Operations	Total Enterprise Funds	Internal Service Funds
$ 7,919,343	$ 4,420	$ 39,935,201	$ 10,530,811
-	-	73,808	-
973,360	-	1,052,172	-
-	-	3,630,891	-
241,247	1,627,651	1,920,103	-
-	-	694,504	-
521,762	847	984,625	1,327,697
9,655,712	1,632,918	48,291,304	11,858,508
1,514,649	359,076	6,667,666	1,113,245
2,984,214	-	11,817,528	933,111
53,409	94	98,126	39,209
71,878	-	1,260,854	353,128
1,078,823	200,149	2,205,818	1,527,943
581,663	5,415	3,551,226	839,500
194,990	-	194,990	2,194,238
63,570	25,470	479,739	401,446
1,375,063	349,251	6,407,108	4,902,551
574,333	404,125	2,543,497	28,811
8,492,592	1,343,580	35,226,552	12,333,182
1,163,120	289,338	13,064,752	(474,674)
267,144	5,062	429,125	209,433
167,980	-	167,980	-
-	-	(1,497,877)	-
(5,450)	-	(5,450)	5,009
429,674	5,062	(906,222)	214,442
1,592,794	294,400	12,158,530	(260,232)
50,650	-	1,109,426	660,000
(813,739)	(960,343)	(3,324,224)	(21,910)
(763,089)	(960,343)	(2,214,798)	638,090
829,705	(665,943)	9,943,732	377,858
15,337,102	1,527,872	149,953,341	8,824,473
$ 16,166,807	$ 861,929	$ 159,897,073	$ 9,202,331

City of Pittsburg
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	$ 28,393,714	$ 5,493,925	$ 2,043,563
Cash receipts from interfund services provided	-	-	-
Cash payments to suppliers of goods and services	(11,577,905)	(319,511)	(1,272,194)
Cash payments to or on behalf of employees for services	(6,082,676)	(1,558,092)	(849,639)
Other operating revenues	130,973	294,104	36,939
Net cash provided (used) by operating activities	10,864,106	3,910,426	(41,331)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Interfund receipts	-	22,105	-
Intergovernmental receipts	-	-	-
Interfund payments	-	-	-
Transfers in	1,058,776	-	-
Transfers out	(394,462)	(1,098,686)	(56,994)
Net cash provided (used) by noncapital financing activities	664,314	(1,076,581)	(56,994)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal paid on long-term debt	(1,666,686)	(796,000)	-
Interest and fiscal charges paid on long-term debt	(1,489,070)	(9,322)	-
Payments made on capital lease	-	-	-
Proceeds from sale of capital assets	-	-	-
Acquisition of capital assets	(908,419)	(9,845,128)	(44,436)
Net cash provided (used) by capital and related financing activities	(4,064,175)	(10,650,450)	(44,436)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on and change in market values of investments	70,111	81,883	4,925
Net cash provided (used) by investing activities	70,111	81,883	4,925
Net increase (decrease) in cash and cash equivalents	7,534,356	(7,734,722)	(137,836)
CASH AND CASH EQUIVALENTS:			
Beginning of Year, as restated (Note 1D)	26,262,909	18,627,971	1,530,080
End of Year	$ 33,797,265	$ 10,893,249	$ 1,392,244
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	$ 9,508,945	$ 2,870,904	$ (767,555)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	1,729,112	737,812	497,224
Changes in operating assets and liabilities:			
Accounts receivable	(544,713)	(93,490)	67,929
Loans receivable	-	-	-
Inventory	(1)	-	-
Prepaid items	(35,414)	(523)	(3,244)
Accounts payable	(498,446)	236,411	19,828
Salaries and wages payable	-	-	-
Refundable deposits	9,750	-	1,997
Taxes payable	-	-	10,347
Unearned revenue	-	-	-
Compensated absences	80,101	16,290	24,644
Due to retirement system	432,493	101,764	76,323
Due to OPEB system	182,279	41,258	31,176
Insurance claims payable	-	-	-
Net cash provided (used) by operating activities	$ 10,864,106	$ 3,910,426	$ (41,331)
NON-CASH TRANSACTIONS:			
Retirement of capital assets	$ -	$ -	$ -

See accompanying notes to basic financial statements

Major Enterprise Funds		Total Enterprise Funds	Governmental Activities Internal Service Funds
Pittsburg Power	Water Front Operations		
$ 9,468,623	$ 615,673	$ 46,015,498	$ -
-	-	-	10,533,070
(4,703,258)	(961,714)	(18,834,582)	(6,118,669)
(2,558,959)	(634,119)	(11,683,485)	(5,308,941)
521,762	847	984,625	127,704
2,728,168	(979,313)	16,482,056	(766,836)
-	-	22,105	789,573
167,980	-	167,980	-
-	-	-	(25,084)
50,650	-	1,109,426	660,000
(813,739)	(960,343)	(3,324,224)	(21,910)
(595,109)	(960,343)	(2,024,713)	1,402,579
-	-	(2,462,686)	-
-	-	(1,498,392)	-
-	-	-	(484,641)
-	-	-	5,009
(408,334)	(10,000)	(11,216,317)	(45,442)
(408,334)	(10,000)	(15,177,395)	(525,074)
267,144	5,062	429,125	209,433
267,144	5,062	429,125	209,433
1,991,869	(1,944,594)	(290,927)	320,102
8,068,595	2,303,313	56,792,868	7,089,481
$ 10,060,464	$ 358,719	$ 56,501,941	$ 7,409,583
$ 1,163,120	$ 289,338	$ 13,064,752	$ (474,674)
581,663	5,415	3,551,226	839,500
75,714	(801,506)	(1,296,066)	(1,197,734)
113,231	-	113,231	-
-	-	(1)	7,377
150,533	152,362	263,714	1,980
348,797	(231,319)	(124,729)	(106,753)
-	-	-	(431)
38,976	(100,557)	(49,834)	-
(69,814)	-	(59,467)	-
(4,805)	(367,254)	(372,059)	-
35,585	5,681	162,301	8,580
228,968	50,882	890,430	-
66,200	17,645	338,558	-
-	-	-	155,319
$ 2,728,168	$ (979,313)	$ 16,482,056	$ (766,836)
$ (5,450)	$ -	$ (5,450)	$ -



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

FIDUCIARY FUND FINANCIAL STATEMENTS

The fiduciary funds account for resources received and are held by the City in a fiduciary capacity. Disbursements are made in accordance with the trust agreement or applicable legislative enactment for each fund.

Successor Agency to the Redevelopment Agency Private – Purpose Trust – This fund was established to account for the activities of the Successor Agency to the former Redevelopment Agency of the City of Pittsburg.

Custodial Funds – These funds are used to report resources, not in a trust, that are held by the City for other parties outside the City's reporting entity.



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

City of Pittsburg
Statement of Fiduciary Net Position
June 30, 2021

ASSETS	Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund	Custodial Funds
Cash and investments (Note 2)	$ 1,714,693	$ 5,468,701
Cash and investments held by fiscal agent (Note 2)	44,328,278	3,114,559
Assessment receivable	-	1,552,861
Inventory	16,821	-
Loans receivable (Notes 14A)	7,996,012	-
Capital assets (Note 14B):		
Land	3,707,267	-
Depreciable capital assets, net	1,459,504	-
Total Assets	59,222,575	10,136,121
LIABILITIES		
Accounts payable	4,013	943,600
Interest payable	4,576,513	-
Deferred assessments	-	1,593,728
Due within one year	31,377	-
Due within more than one year	5,561	-
Due in one year	27,959,875	-
Due in more than one year	198,024,599	-
Total Liabilities	230,601,938	2,537,328
NET POSITION		
Held in Trust for Private Purpose	(171,379,363)	-
Restricted for bondholders	-	7,598,793
Total Net Position	$ (171,379,363)	$ 7,598,793

See accompanying notes to financial statements

City of Pittsburg
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2021

ADDITIONS	Successor Agency to the Redevelopment Agency Private-Purpose Trust	Custodial Funds
Property tax and special assessments	$ 33,512,215	$ 3,705,831
Use of money and property	22,368	15,744
Other revenues	319,434	-
Total Additions	33,854,017	3,721,575
DEDUCTIONS		
General administration	353,277	1,327,640
Loss on disposition of capital assets	457,451	-
Depreciation expense (Note 14B)	43,542	-
Payment to bond holders	-	2,701,687
Interest and fiscal charges	9,646,740	-
Total Deductions	10,501,010	4,029,327
Change in Net Position	23,353,007	(307,752)
NET POSITION		
Beginning of Year, As Resated (Note 1Q)	(194,732,370)	7,906,545
End of Year	$ (171,379,363)	$ 7,598,793

See accompanying notes to financial statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Pittsburg, California, (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City was incorporated under the General Laws of the State of California and enjoys all the rights and privileges pertaining to such "General Law" cities. The City uses the City Council/Manager form of government. The financial reporting entity consists of (a) the primary government, the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the primary government's exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The criteria used in determining the scope of the reporting entity are based on the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by No. 61. The City is the primary governmental unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the City. The following entities have been accounted for as "blended" component units of the City. Despite being legally separate, these entities are so intertwined with the City that they are, in substance, part of the City's operations. Accordingly, the balances and transactions of these component units are reported within the funds of the City. Balances for these entities are reported as separate funds in the special revenue and enterprise funds. The following specific criteria are used in determining that these other entities are blended component units:

- The members of the City Council also act as the governing bodies of the entities.
- The entities are managed by employees of the City. A portion of the City's salary and overhead expenses are billed to the entities each year.
- The City and the entities are financially interdependent. The City makes loans to the entities for community development purposes and for operational purposes. General revenues of the agencies are used to repay the loans to the City.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following is a brief review of the component units included in the accompanying basic financial statements of the City:

Housing Authority

Housing Authority Section 8, in the accompanying financial statements, was established to account for Federal funds for low income housing under both certificate and voucher programs. The Housing Authority also administers the Veterans Affairs Supportive Housing (VASH), which provides rental and other clinical services to homeless veterans. The Housing Authority is reported as a blended component unit because the Board is made up of the City Council members, and the Housing Authority has a financial benefit/burden relationship with the City. The Housing Authority is reported in the special revenue fund of the City. No separate financial report is issued by the Housing Authority.

Pittsburg Infrastructure Financing Authority

The Public Infrastructure Financing Authority (PIFA) was established by a Joint Exercise of Powers Agreement dated December 5, 1994, by and among the City and the former Redevelopment Agency, and is qualified to issue bonds under the Mello-Roos Local Bond Pooling Act of 1985. The PIFA was formed to finance the acquisition of certain public improvements and to refinance prior outstanding special assessment district debt with City commitment. The PIFA is reported as a blended component unit because its governing body consists of City Council members, and the PIFA has a financial benefit/burden relationship with the City. The PIFA is currently inactive; therefore, no separate financial report is issued.

Southwest Pittsburg GHAD II

The Southwest Pittsburg GHAD II (GHAD) was established by City Council in order to provide maintenance of slope stability in the open spaces areas of Southwest Pittsburg. Funding for the GHAD is provided through assessment fees levied on the property taxes of the homes built on the hillside areas. This fund centralizes the accounting for the revenues and expenses associated with GHAD as required by law.

Pittsburg Power Company

The Pittsburg Power Company (the Company) was established by a Joint Exercise of Powers Agreement dated September 23, 2006, by and among the City and the Agency. The Company was formed to establish a municipal utility for natural gas and electric service. The Company is reported in the Pittsburg Power enterprise fund of the City. No separate financial report is issued by the Company.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pittsburg Arts and Community Foundation

The Pittsburg Arts and Community Foundation (PACF) was created as an independent non-profit corporation set up to increase, support and encourage art, literacy, education, economic development, affordable housing and other community resources and programs to benefit the City of Pittsburg and its residents.

Since the City of Pittsburg and PACF have the same governing board, have a financial benefit/burden relationship and the City can impose its will on PACF, it is required to be reported as a blended component unit of the City. Its financial information can be found as a special revenue fund under non-major Governmental Funds. No separate financial report is issued by PACF.

B. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. City 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.

Government-Wide Financial Statements

The Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the City accompanied by a total column.

These financial statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and deferred outflows and liabilities and deferred inflows, including capital assets, as well as infrastructure assets, and long-term liabilities and deferred inflows, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions reported as program revenues for the City are reported in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to inter-fund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following inter-fund activities have been eliminated:

- Due to/from other funds
- Advances from/to other funds
- Transfers in/out

The City applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect).

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the Government-Wide financial statements. The City has presented all major funds that met the qualifications for major fund reporting. The following are descriptions of the major funds.

General Fund – This fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources which are not accounted for in another fund. To comply with GASB 54, the Budget Stabilization and Economic Development balances are combined and reported under the General Fund. Details are as follows:

Fund	Balances	
General Fund	$	30,983,583
Budget Stabilization		2,445,285
Economic Development		1,084,292
Total	$	34,513,160

Housing Authority (Section 8) Special Revenue Fund – This fund was established to administer grants from Housing and Urban Development Department (HUD) to subsidize the rental costs of low-income families and veterans.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Successor Agency Housing Special Revenue Fund – This fund accounts for the activities related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The activities are governed by California redevelopment law and must be used to provide housing for people with low and moderate incomes.

Miscellaneous Grants Fund – This fund receives various grants to administer the police, recreation, public services and the American Rescue Plan funding.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, charges for services, Federal and State grants, sales taxes and earnings on investments. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Fund Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental and business-type activities in the government-wide financial statements as appropriate.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows, liabilities and deferred inflows (whether current or noncurrent) are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary fund are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following are descriptions of the major enterprise funds.

Water Utility Fund – This fund accounts for the revenues and expenses associated with management, operation, and maintenance of water treatment and distribution system to water customers of the City of Pittsburg. It also accounts for the maintenance of water plant, distribution reservoirs, and water lines.

Sewer Utility Fund – This fund accounts for the revenues and expenses associated with the maintenance and repair of 126 miles of sewer mains, sewer lift stations and sewer laterals within the City's right-of-way.

Marina Fund – This fund accounts for the revenues received from Marina berth rentals, from sales of gasoline, and expenses from operation and maintenance.

Pittsburg Power Fund – This fund was created by the Joint Powers Agreement between the City of Pittsburg and the former Redevelopment Agency to develop revenue streams, to manage different activities for power related projects, capital improvement projects, and bond issuance process. This fund also accounts for expenditures incurred in maintenance of the facilities, in distributing gas and electricity to the industries, schools, business, and residents of Mare Island, in Vallejo, and to account for revenues collected from services to customers.

Water Front Operations Fund – This fund was created for the collection of rents and other trust revenues from the tidelands granted by the Contra Costa County Local Agency Formation Commission within Pittsburg's city limits. The City shall submit a plan indicating details of intended development, preservation, or other use of the trust lands. Any use of the trust lands shall be consistent with the plan as approved by the Commission.

Internal service fund balances and activities have been combined with governmental activities in the government-wide financial statements, and are comprised of the following funds:

Fleet Maintenance Fund – Used to account for the costs of operating, maintaining, and replacing automotive equipment used by other departments. Rental rates charged to the using departments include operating costs and equipment depreciation.

Building Maintenance Fund – Used to account for the cost of maintaining all City governmental buildings.

Insurance Fund – Used to account for revenues from charges to operating departments sufficient to provide adequate reserve for future claims.

Information/Communication Services Fund – Used to account for the cost of operating, maintaining and replacing a data processing system. Rental rates charged to the using departments include operating cost and equipment depreciation.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fringe Benefits Fund – Used to allocate fringe costs to various departments.

Other Post-Employment Benefits (OPEB) Fund – Used to reduce unfunded OPEB liabilities and to pay the City's portion of current year retiree medical expenses. This fund receives its funding from surplus funds beyond the maximum amount required for the Budget Stabilization reserve (25% of surplus) and from Citywide allocations based on salaries.

115 Pension Trust Reserve Fund – Used to accumulate funds to pay down CalPERS Unfunded Accrued Liability.

The City also reports fiduciary fund types.

Fiduciary Fund Financial Statements – Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Change in Fiduciary Net Position. The City's fiduciary funds represent a private purpose trust fund and custodial funds. Custodial funds are custodial in nature (assets equal liabilities) and involve measurement of results of operations.

The Fiduciary funds are accounted for on the accrual basis of accounting as are the Proprietary funds explained above.

Successor Agency to the Redevelopment Agency Private Purpose Trust Fund (Successor Agency) – This fund was created to account for the accumulation of resources to be used for payments at appropriate amounts and times in the future.

Assessment Districts Custodial Fund accounts for the collection of property taxes and the payments to bondholders.

Other Impact Fees Custodial Fund accounts for the collection of developer fees on behalf of the Contra Costa Fire Protection District (CCFPD), Contra Costa Water District (CCWD) and the East Contra Costa Regional Fee and Finance Authority (ECCRFF).

Vista Del Mar & San Marco CFD's Custodial Fund accounts for funds used to construct and acquire certain public improvements, consisting of roadway, water and other infrastructure improvements necessary for the development of property within the district, as well as park improvements.

C. Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

D. Spending Policy

The City's policy is to spend restricted fund balances first, before spending unrestricted fund balances, for expenditures incurred for purposes for which both restricted and unrestricted fund balances are available, except for instances wherein an Agency ordinance or resolution specifies the fund balance.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Agency's policy is that committed and assigned fund balances are considered to have been spent first before unassigned fund balances have been spent, when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used, except for instances wherein an Agency ordinance specifies the fund balance.

E. Cash and Investments

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in an investment pool managed by the State of California, entitled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures (Amendment of GASB No. 3)*, certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
- Overall Custodial Credit Risk
- Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

F. Restricted Cash and Investments

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt and for acquisition and construction of capital projects, and for pension trust reserves deposited in a Section 115 irrevocable trust.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are receivable from the county within sixty days after year-end.

Lien Date	January 1
Levy Date	July 1
Due Date	Secured: November 1 and February 1
	Unsecured: July 1
Collection Date	Secured: December 10 and April 10
	Unsecured: August 31

Property taxes levied are recorded as revenue when received, in the fiscal year of levy, because of the adoption of the "alternate method of property tax distribution," known as the Teeter Plan, by the City and Contra Costa County. The Teeter Plan authorizes the Auditor/Controller of Contra Costa County to allocate 100% of the secured property taxes billed, but not yet paid.

H. Interfund Balances/Internal Balances

Advances to and advances from other funds represent inter-fund loans in the fund financial statements. Advances between funds are offset by a fund balance reservation or by deferred revenue in the applicable governmental funds to indicate that they are not expendable available financial resources.

Any unpaid interest due to lack of funds in the borrowing fund increases the principal owed and is reported in the lending fund as deferred revenue.

All other outstanding balances between funds are reported as due to and due from other funds. These are generally repaid within the following fiscal year.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-Wide Financial Statements as "internal balances."

I. Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, machinery and equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. Capital assets are recorded at historical cost or estimated historical cost if actual cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

City policy has set the capitalization thresholds for reporting capital assets as follows:

- General Capital Assets $5,000
- Infrastructure Capital Assets $25,000

Depreciation is recorded on a straight-line method over the useful lives of the assets as follows:

- Building and Improvements 20 - 70 years
- Machinery and Equipment 3 - 10 years
- Infrastructure 20 - 75 years

The GASB Statement No. 34 requires the inclusion of infrastructure capital assets in local governments' basic financial statements. In accordance with GASB Statement No. 34, the City has included the value of all infrastructure assets in its Government-Wide Financial Statements.

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include:

- Street system
- Site amenities such as parking and landscaped areas used by the City in the conduct of its business
- Water and sewer plants

Each major infrastructure system can be divided into subsystems. For example the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. These subsystems were not delineated in the Government-Wide Financial Statements. The appropriate operating department maintains information regarding the subsystems.

For all infrastructure systems, the City has elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The City conducted a valuation of its infrastructure assets as of July 1, 2002. This valuation determined the original cost using one of the following methods:

1) Use of historical records where available.
2) Standard unit costs appropriate for the construction/acquisition date of the asset.
3) Present replacement cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date.

The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date was computed on a straight-line method using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest accrued during capital assets construction, if any, is capitalized for the business-type activities and proprietary funds as part of the asset cost.

J. Interest Payable

In the government-wide financial statements, interest payable on long-term debt is recognized as the liability incurred for governmental fund types and proprietary fund types.

In the fund financial statements, propriety fund types recognize the interest payable when the liability is incurred.

K. Long-Term Debt

Government-Wide Financial Statements

Long-term debt and other financial obligations are reported as liabilities in the appropriate activities.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

Fund Financial Statements

The Governmental Fund Financial Statements do not present long-term debt, which are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

Governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Proprietary Fund Financial Statements use the same principles as those used in the Government-Wide Financial Statements.

L. Unearned Revenue

Government-Wide Financial Statements

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the Government-Wide Financial Statements are unearned grants and prepaid charges for services.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

Unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unavailable revenue for transactions for which funds are not available to meet current financial obligations. Typical transactions for which unavailable revenue is recorded are grants received but not yet earned or available, interest on inter-fund advances receivable and long-term loans receivable.

M. Compensated Absences

City employees have vested interests in varying levels of vacation compensation. If vacation is not used by the employee during the term of employment, compensation is payable to the employee at the time of retirement or termination. Such compensation is calculated at the employee's then prevalent rate at the time of retirement or termination and compensated at 100% of accumulated hours. The City's liability for compensated absences is recorded in various Governmental funds or Proprietary funds as appropriate. The liability for compensated absences is determined annually. Compensated absences for governmental activities are liquidated primarily by the General Fund.

Governmental funds include only amounts expected to be paid after the end of the fiscal year for terminated employees. The long-term liabilities are recorded in the Statement of Net Position.

The change in compensated absences was as follows at June 30, 2021:

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	$ 3,200,550	$ 763,888	$ 3,964,438
Additions	1,960,880	$542,048	2,502,928
Payments	(1,785,807)	(379,747)	(2,165,554)
Ending Balance	$ 3,375,623	$ 926,189	$ 4,301,812
Current Portion	$ 2,531,717	$ 694,641	$ 3,226,358

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has reported deferred outflows of resources in the Statement of Net Position and Proprietary Fund Statements for the pension and OPEB related adjustments.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the statement of net position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has one item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from loans. The City has reported deferred inflows of resources in the statement of net position and proprietary fund statements for pension and OPEB related adjustments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

O. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

P. Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

The following Governmental Accounting Standards Board (GASB) pronouncements were effective in fiscal year 2020-2021:

In January 2017, GASB issued GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. The provisions of this Statement were implemented during fiscal year 2021. Accordingly, the Assessment Districts Fund, Other Impact Fees Fund and Vista Del Mar & San Marco CFD's Fund previously reported on the City's financial statements as Agency Funds have been recategorized as Custodial Funds. As a result of implementation, the City restated the beginning net positions of the Assessment Districts Fund, Other Impact Fees Fund and Vista Del Mar & San Marco CFD's Fund by increasing fund balances in the amounts of $5,216,350, $35,608, and $2,654,587, respectively.

In August 2018, GASB issued GASB Statement No. 90, Majority Equity Interests – (an Amendment of GASB Statements No. 14 and No. 61). The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The City does not have any Majority Equity Interests that are within the scope of GASB Statement No. 90.

The following GASB pronouncement is effective in fiscal year 2021-2022. The City chose to early implement this statement in fiscal year 2020-2021:

In October 2021, GASB issued GASB Statement No. 98, The Annual Comprehensive Financial Report. The objective of this Statement is to address references in authoritative literature to the term comprehensive annual financial report. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The provisions of the Statement was implemented during fiscal year 2021.

R. New Fund

In fiscal year 2020-2021, the City established a Special Revenue Fund, Tuscany Meadows CFD 2021-1, to account for funding to help the developer finance the cost of design and construction of public improvements relating to the development of the Tuscany Meadows subdivision. The special tax for the CFD may be used to pay the debt service on bonds issued by the City in the future to finance the facilities or may be used to pay for the facilities on a pay-as-you-go basis, without the issuance of bonds.

NOTE 2 – CASH AND INVESTMENTS

The City pools cash from all sources and all funds except Cash and Investments held by Trustees so that it can be invested at the maximum yield consistent with safety and liquidity, while individual funds can make expenditures at any time.

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the City's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the City's name and places the City ahead of general creditors of the institution.

The City invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to increase security, the City employs the Trust Department of a bank as the custodian of certain City managed investments, regardless of their form. Individual investments are generally made by their City's fiscal agent as required under its debt issues, or through the City's Investment Advisor, Chandler Asset Management (CAM).

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or Agency agreements.

	Government-Wide Statement of Net Position			Separate Statement	
	Governmental Activities	Business-Type Activities	Total	Fiduciary Funds	Total
Cash and investments	$ 81,272,999	$ 56,501,941	$ 137,774,940	$ 7,183,394	$ 144,958,334
Restricted cash and investments	5,064,265	-	5,064,265	47,442,837	52,507,102
Total cash and investments	$ 86,337,264	$ 56,501,941	$ 142,839,205	$ 54,626,231	$ 197,465,436

NOTE 2 – CASH AND INVESTMENTS (Continued)

C. Investments Authorized by the California Government Code and the City's Investment Policy

The City's Investment Policy and the California Government Code allow the City to invest in the following investments, provided the credit ratings of the issuers are acceptable to the City, and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the City's Investment Policy where the City's Investment Policy is more restrictive.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality*	Maximum in Portfolio	Maximum per Issuer
Asset-Backed Securities	5 years	"AA"	20%	5%
Bankers' Acceptances	180 days	A1/P1	40%	5%
California Asset Management Program (CAMP)	n/a	n/a	none	none
Certificates of Deposits	1 year	"A"	30%	5%
Commercial Paper	270 days	"A1" ST, "A" LT	25%	5%
Federal Agency Obligations	5 years	none	none	none
Local Agency Investment Fund (LAIF)	n/a	none	$75 million	none
Medium-Term Notes	5 years	"A"	30%	5%
Money Market Funds	n/a	2 highest ratings	20%	10% per fund
Negotiable Certificates of Deposit	5 years	"A-1" ST, "A" LT	30%	5%
Repurchase Agreements	90 days	"A"	15%	5%
State and Local Obligations	5 years	"A-"	30%	5%
Supranational Securities	5 years	"AA"	30%	10%
U.S. Treasury Obligations	5 years	none	none	none

*At time of purchase

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Pools*, investments were stated at fair value using the aggregate method.

The City's investments with Local Agency Investment Fund (LAIF), a State of California external investment pool, at June 30, 2021, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities.

As of June 30, 2021, the City had $74,817,925 invested in LAIF, which had invested 68.52% of the pool investment funds in U.S. Treasury Obligations. The LAIF fair value factor of 1.00008297 was used to calculate the fair value of the investments in LAIF. The fair value of the City's position in the pool is materially equivalent to the value of the pool share. At June 30, 2021, these investments matured in an average of 291 days.

NOTE 2 – CASH AND INVESTMENTS (Continued)

D. Investments Authorized by Debt Agreements

The City and Successor Agency to the Redevelopment Agency must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the agencies fail to meet their obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
Bankers' Acceptances	180 days	A1/P1
California Asset Management Program	n/a	n/a
Certificates of Deposit	1 year	A
Commercial Paper	270 days	A1/P1/F1
Guaranteed Investment Agreements	n/a	none
Local Agency Investment Fund (LAIF)	n/a	none
Medium Term Notes	5 years	A
Money Market Fund	n/a	3 highest ratings
Municipal Obligations	n/a	AAA
Pre-refunded Municipal Obligations	n/a	AAA
Repurchase Agreements	90 days	A
State of California Obligations	5 years	A -
U.S. Agencies	n/a	AAA
U.S. Treasury Obligations	5 years	none

E. Public Agencies Post-Employment Trust

On October 21, 2019, the City Council adopted Resolution 19-13711 approving the adoption of the Public Agencies Post-Employment Trust administered by Public Agency Retirement Services (PARS). The Trust is an irrevocable trust and qualifies as an Internal Revenue Section 115 Trust. The Trust will assist the City in mitigating the CalPERS contribution rate volatility. Investments of funds held in the Trust are governed by the Investment Guideline Document for the investment account and by the agreement for administrative services with PARS, rather than the general provisions of the California Government Code of the City's Investment Policy. The City elected a discretionary investment approach which allows the City to maintain oversight of the investment management, control on target yield and the portfolio's risk of tolerance, under the Moderately Conservative Index PLUS investment option. The assets in the Trust will eventually be used to fund pension plan obligations.

NOTE 2 – CASH AND INVESTMENTS (Continued)

F. Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2021:

	Level 2	Total
Investments by Fair Value Level:		
U.S. Treasury Obligations	$ 15,276,190	$ 15,276,190
Federal Agency Obligations	27,406,840	27,406,840
Medium-Term Notes	10,026,097	10,026,097
Asset-Backed Securities	1,631,356	1,631,356
Supranational Securities	2,455,783	2,455,783
Subtotal	$ 56,796,266	56,796,266
Investments Measured at Cost:		
Money Market Funds		65,841
Held with Trustee:		
Money Market Funds		50,552,314
Investments Exempt from Fair Value Hierarchy:		
Local Agency Investment Fund		74,817,925
Mutual Funds (PARS Trust)		1,954,217
Total Investments		184,186,563
Cash in banks and on hand		13,278,873
Total Cash and Investments		$ 197,465,436

U.S. Treasury Notes, Federal Agency Obligations, Medium–Term Corporate Notes, Asset-Backed Securities, and Supranational Securities classified in Level 2 of the fair value hierarchy, are valued using pricing techniques of matrix pricing or market corroborated pricing, with inputs such as yield curves or indices.

NOTE 2 – CASH AND INVESTMENTS (Continued)

These prices were obtained from various pricing sources by the City's custodian bank. The Certificates of Deposit were valued using techniques of matrix pricing and multi-dimensional relational model and/or option adjusted spread provided by the City's custodian bank. The Supranational Securities were valued based on information gathered from market sources and integrate relative credit information, observed movements, and sector news into the evaluated pricings applications and models provided by the City's custodian bank.

G. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity.

	Investment Maturities (in years)		
Investment Type	Less than 1 year	1 - 5 years	Total
Local Agency Investment Fund	$ 74,817,925	$ -	$ 74,817,925
Medium-Term Notes	2,198,875	7,827,222	10,026,097
Federal Agency Obligations	2,637,644	24,769,196	27,406,840
U.S. Treasury Obligations	4,817,597	10,458,593	15,276,190
Asset-Backed Securities	-	1,631,356	1,631,356
Money Market Funds	65,841	-	65,841
Supranational Securities	-	2,455,783	2,455,783
Held by Trustee:			
Money Market Funds	50,552,314	-	50,552,314
Mutual Funds (PARS Trust)	1,954,217	-	1,954,217
Total Investments	$ 137,044,413	$ 47,142,150	184,186,563
Cash in banks and on hand			13,278,873
Total Cash and Investments			$ 197,465,436

Money Market Funds are available for withdrawal on demand and at June 30, 2021 matured in an average of 32 days.

NOTE 2 – CASH AND INVESTMENTS (Continued)

H. Credit Risk

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. Presented below is the actual rating as of June 30, 2021 for each investment type as provided by Standard and Poor's investment rating system.

	Fair Value	AAA/AAAm	AA+	AA	A+ / A / A-1	A- / A-2	BBB+	Not Rated
U.S. Treasury Obligations	$ 15,276,190	$ -	$ 15,276,190	$ -	$ -	$ -	$ -	$ -
Federal Agency Obligations	27,406,840	-	27,021,165	-	-	-	-	385,675
Medium-Term Notes	10,026,097	-	-	449,159	7,462,814	1,649,765	464,359	-
Asset-Backed Securities	1,631,356	709,818	-	-	-	-	-	921,538
Supranational Securities	2,455,783	2,455,783	-	-	-	-	-	-
Local Agency Investment Fund	74,817,925	-	-	-	-	-	-	74,817,925
Money Market Funds	65,841	65,841	-	-	-	-	-	-
Held with Trustee:								
Money Market Funds	50,552,314	50,552,314	-	-	-	-	-	-
Mutual Funds (PARS Trust)	1,954,217	-	-	-	-	-	-	1,954,217
Total Investments	184,186,563	$ 53,783,756	$ 42,297,355	$ 449,159	$ 7,462,814	$ 1,649,765	$ 464,359	$ 78,079,355
Cash in banks and on hand	13,278,873							
Total Cash and Investments	$ 197,465,436							

I. Concentration of Credit Risk

There are no investments in securities of individual issuers that were greater than 5% of the City's total investments as of June 30, 2021.

NOTE 3 – LOANS AND NOTES RECEIVABLES

As of June 30, 2021, loans and notes receivable consisted of the following:

Description	Balance
Governmental Activities:	
CalHome Program Loans	$ 329,826
Century Plaza Corporation	883,895
Domus Development LLC	7,254,514
Domus Development LLC Loan (Sienna Court)	5,723,281
HUD Community Development Block Grant	253,844
Low Income Families Loans	844,720
Mariner Walk Loan	180,000
Vista Del Mar Loans	200,000
Mercy Housing California Loan	4,706,063
PACF Loans	517,607
Presidio Village Senior Housing	771,877
Rehabilitation and Construction Loans	1,392,914
Residential Loans on Vidrio	1,224,979
Resources for Community Development Loan	7,042,750
Veterans Square Loan	794,222
9th Street Associates (Santa Fe Commons Housing Development)	1,994,016
Total Governmental Activities - Loans and Notes Receivable	34,114,508
Business-Type Activities-Enterprise Fund:	
Lumpy's Diner Loan	196,571
Total Loans and Notes Receivable	$ 34,311,079

A. CalHome Program Loans

CalHome Program funds of $600,000 were awarded by the State of California and are used to provide first-time home buyer mortgage assistance as well as housing rehabilitation assistance for low income homeowners. Loans are payable upon sale or transfer of property, when the property ceases to be owner-occupied, or upon the CalHome loan maturity date. The outstanding balance as of June 30, 2021 was $329,826.

B. Century Plaza Corporation Loan

During fiscal year 2013-14, the City of Pittsburg approved a loan to Century Plaza Corporation for anchor tenant retention and remodeling of the Century Plaza. The total approved loan amount was $1,300,000 and was disbursed over five years. Loan bears 2% annual interest and is due and payable on July 1, 2023. Century Plaza Corporation received a loan repayment credit effective July 1, 2019 due to following the terms stipulated by the loan agreement. The accrued interest will be forgiven along with the loan credit. The outstanding balance as of June 30, 2021 was $883,895.

NOTE 3 – LOANS AND NOTES RECEIVABLES (Continued)

C. Domus Development LLC Loan

During fiscal year 2005-2006, the former Redevelopment Agency entered into a Development and Disposition Agreement with Domus Development LLC (Developer) of up to $8,000,000 for the development of a 28-unit residential rental dwelling and an 8,000 square feet ground floor commercial space at the northeast corner of Railroad Avenue and 10th Street. Funding was provided by the Housing-Set Aside funds in the amount of $6,000,000 and $2,000,000 by future tax increments. During the fiscal year 2007-2008, an amendment was filed to increase the loan up to an additional $800,000 and $4,845,755 of the loan was disbursed to the Developer. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2021 was $7,254,514.

D. Domus Development LLC (Sienna Court) Loan

During fiscal year 2007-2008, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of $250,000 to Domus Development LLC for the feasibility study of a senior affordable housing development (Sienna Court). The loan bears interest of 3% per annum. The Domus Development LLC loan was amended in fiscal year 2010-2011 to increase the loan by an additional $850,000, and then further amended in fiscal year 2010-2011 bringing total loan funding to $4,323,645. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor. The outstanding balance as of June 30, 2021 was $5,723,281.

E. Fairfield Belmont, L.P. Loan

During fiscal year 2004-2005, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of $4,880,000 to the Fairfield Belmont, L.P. for the purchase and renovation of 224 affordable residential units located within the Redevelopment Project Area. The loan bears the lesser interest of 1% per year or the amount of the former Redevelopment Agency Receipts and provides for the Agency to receive 20% of the project's residual receipts annually. With the dissolution of the Redevelopment Agency effective February 1, 2012, the assets of the Agency, including this loan were assumed by the Housing Successor Agency. As of June 30, 2021, the loan balance was fully paid off.

F. HUD Community Development Block Grant (CDBG) Loans

The HUD CDBG Special Revenue fund had a loans receivable balance of $253,844 as of June 30, 2021, which consisted of $106,813 in CDBG entitlement loans and $147,031 in First Time Homebuyer loans.

G. Low Income Families Loans

During fiscal year 2006-2007 and 2007-2008, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds to low income families to purchase homes. The loans bear no interest and are deferred until the property changes title or are refinanced for cash. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2021 was $844,720.

NOTE 3 – LOANS AND NOTES RECEIVABLES (Continued)

H. Mariner Walk Loan and Vista Del Mar Loans

During fiscal year 2005-2006, a Development and Disposition Agreement was entered into with Olson Urban Housing LLC (Developer) of up to $1,000,000 and with Lyon Vista Del Mar 533, LLC (Developer) of up to $800,000, to provide mortgage assistance for qualified moderate income households purchasing the affordable units. With the dissolution of the Agency effective February 1, 2012, the loans were assumed by the Housing Successor. The outstanding balances as of June 30, 2021 were $180,000 and $200,000, respectively, for the property owners.

I. Mercy Housing California Loan

During fiscal year 2005-2006, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of $1,052,854 to Mercy Housing California for the development of a 64-unit dwelling and child care center located within the Redevelopment Project Area. During the fiscal year 2007-2008, an amendment was filed to increase the loan for a total of $4,952,854. The loan bears interest of 1.0% per year and provides for the Agency to receive 50.0% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2021 was $4,706,063.

J. Pittsburg Arts and Community Foundation (PACF) Loans

During fiscal year 2010-2011, the PACF assumed a construction loan and lease due from a Pittsburg resident. The loan will be repaid through lease payments on 159 4th Street, with a balloon payment due on December 1, 2023. During fiscal year 2011-2012, PACF assumed an NSP Home Buyer assistance program loan that was issued to a Pittsburg resident. Loan payments are deferred and will be forgiven if the property remains the same as the principal residence of the resident. The outstanding balances of these loans as of June 30, 2021 were $493,185 and $24,422, respectively, totaling $517,607.

K. Presidio Village Senior Housing Loans

During fiscal year 2006-2007, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of $566,150 to Pacific Community Services for prior construction of 104 units called the Presidio Village Senior Housing. The loan bears interest of 3.0% per year and provides for the Agency to receive 50.0% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance and accrued interest as of June 30, 2021 was $771,877.

L. Rehabilitation and Construction Loans

Housing and rehabilitation loans are provided to homeowners who meet low and moderate income requirements as defined by the Department of Housing and Urban Development. These residential loans are available from $5,000 to $25,000 per property at a loan term of 3.0% simple interest for 10 years. The property will be rehabilitated to be free from health and safety violations upon completion of the rehabilitation program. The outstanding balance of these loan types as of June 30, 2021 was $1,392,914.

NOTE 3 – LOANS AND NOTES RECEIVABLES (Continued)

M. Residential Loans on Vidrio

During fiscal year 2010-2011, the City of Pittsburg financed several residential loans to the homebuyers of Vidrio Condominium. The outstanding balances as of June 30, 2021 was $1,224,979.

N. Resources for Community Development Loan

During fiscal year 2006-2007, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of $6,105,848 to Resources for Community Development for the development of 71 rental dwellings and a community center. During the fiscal year 2008-2009, an amendment was filed to increase the loan up to an additional $350,000 and $5,710,730 of the loan was disbursed to the Developer. The loan bears interest of 1.0% per annum and provides for the Agency to receive 50% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2021 was $7,042,750.

O. Veterans Square Loan

During fiscal year 2020-2021, the Housing Authority of the City of Pittsburg loaned $780,000 to the Veterans Square for the purchase of property located at 901 Los Medanos Street. The loan terms include 3.0% simple interest and is due in 55 years. The repayment will be made from residual receipts. The outstanding balance as of June 30, 2021 was $794,222.

P. 9th Street Associates (Santa Fe Commons Housing Development Loan)

This is a rehabilitation and construction loan to eliminate blight to a property owner to assist improvements and rehabilitation of properties that were vacant or underutilized.

During fiscal year 2011-2012, the City provided a property development loan of $1,614,713 to 9th Street Associates LP to develop the units at Santa Fe Commons. The loan terms include 3.0% simple interest and is due in 55 years. The repayment will be made from residual receipts. The outstanding balance as of June 30, 2021 was $1,994,016.

Q. Lumpy's Diner Loan

During fiscal year 2018-2019, the Pittsburg Power Company (PPC) Enterprise Fund loaned $348,206 to the owner of Lumpy's Diner Pittsburg for the purchase of property located at 615 Railroad Avenue. The loan bears interest of 5.0%. Principal and interest payments are due monthly commencing October 1, 2018 through 2038. The outstanding balance as of June 30, 2021 was $196,571.

NOTE 4 – UNEARNED AND UNAVAILABLE REVENUE

A. Government-Wide Financial Statements

Unearned revenues in Government-Wide Financial Statements represent amounts for which revenues have not been earned. At June 30, 2021, unearned revenues in the Government-Wide Financial Statements consisted of unearned developer, donation, and grant revenues of $12,046,541 in Governmental Activities and $1,968,407 in Business-Type Activities.

B. Fund Financial Statements

At June 30, 2021, the following amounts were recorded in the Fund Financial Statements because either the revenues had not been earned or the funds were not available to finance expenditures of the current period:

	Governmental Funds					
	General Fund	Housing Authority (Sec. 8)	Successor Agency Housing	Miscellaenous Grants	Non-Major Governmental Funds	Total Governmental Funds
Unearned developer/ donation revenue	$ 3,227	$ -	$ -	$ -	$ -	$ 3,227
Unearned service revenue	2,286,897	384,983	-	8,565,391	806,043	12,043,314
Sub-total	2,290,124	384,983	-	8,565,391	806,043	12,046,541
Loans receivable	883,895	-	27,517,427	-	4,366,394	32,767,716
Total	$ 3,174,019	$ 384,983	$ 27,517,427	$ 8,565,391	$ 5,172,437	$ 44,814,257

	Business-Type Funds		
	Pittsburg Power	Water Front Operations	Total
Unearned developer/ donation revenue	$ 778,658	$ -	$ 778,658
Unearned service revenue	622,738	567,011	1,189,749
Total	$ 1,401,396	$ 567,011	$ 1,968,407

NOTE 5 – INTERFUND TRANSACTIONS

A. Current Interfund Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. Current interfund balances are as follows:

DUE FROM FUND	DUE TO FUND	AMOUNT
Non-Major Governmental Funds:		
Special Revenue Funds:		
Local Law Enforcement Block Grant Fund	General Fund	$ 4,610
HUD Community Development Block Grant Fund	General Fund	142,535
Cops Hiring Recovery Fund	General Fund	21,486
Capital Project Funds:		
Regional Freeway Security Fund	General Fund	158,127
Internal Service Funds:		
Other Post-Employment Benefits Fund	General Fund	789,554
115 Pension Reserve Fund	General Fund	19
	Total	$ 1,116,331

B. Interfund Advances

At June 30, 2021, the following funds had advances that were not expected to be repaid within the next year:

FROM FUND	TO FUND	AMOUNT
GOVERNMENTAL FUNDS		
Successor Agency Housing Special Revenue Fund	General Fund	$ 1,588,162
Southwest Pittsburg GHAD II Special Revenue Fund	General Fund	300,000
Inclusionary Housing Fund Capital Projects Fund	Successor Agency Housing Special Revenue Fund	380,000
Regional Traffic Mitigation Capital Projects Fund	Railroad Avenue Specific Area Plan Special Revenue Fund	3,093,125
ENTERPRISE FUNDS		
Sewer Utility Fund	General Fund	533,773
	Building Maintenance Internal Service Fund	131,217
Pittsburg Power Fund	Golf Course Special Revenue Fund	375,000
	TOTAL ADVANCES	$ 6,401,277

During fiscal year 2019-2020, the Successor Agency Housing Special Revenue Fund advanced $1,593,421 to the General Fund for the purchase of property located on Railroad Avenue (APN 088-171-035). The advance will accrue LAIF interest and will continue to exist until repaid in full. The balance as of June 30, 2021 was $1,588,162.

NOTE 5 – INTERFUND TRANSACTIONS (Continued)

During fiscal year 2020-2021, the Southwest Pittsburg GHAD II Fund advanced $300,000 to the General Fund for the purchase of software and related expenses. The advance will accrue LAIF interest rate and will continue to exist until repaid in full. The balance as of June 30, 2021 was $300,000.

During fiscal year 2020-2021, the Inclusionary Housing Capital Projects Fund advanced $380,000 to the Successor Agency Housing Special Revenue Fund for a loan to purchase a property located on 901 Los Medanos Street. The advance will accrue interest at a rate of three percent on the unpaid principal outstanding from time to time commencing on the date of initial disbursement of loan proceeds. The balance as of June 30, 2021 was $380,000.

During fiscal year 2014-2015, the Regional Traffic Mitigation Capital Projects Fund advanced $3,300,000 to the Railroad Avenue Specific Area Plan Special Revenue Fund to help fund the construction of the eBART Pittsburg Center Station Project. The advance is to be repaid to the Regional Traffic Mitigation Fund by June 30, 2044 and bears simple interest at the average State Local Agency Investment Fund (LAIF) interest rate. The repayment began in fiscal year 2015 with annual payments in amount up to the accrued interest due, and the balance as of June 30, 2021 was $3,093,125.

During fiscal year 2017-2018, the Sewer Utility Enterprise Fund advanced $650,000 to the General Fund for the purchase of property located at the Northwest Corner of Railroad Avenue and Civic Avenue (APN 086-100-015) and associated expenses. The advance is to be repaid within five years and bears simple interest at the average LAIF rate. The balance as of June 30, 2021 was $533,773.

During fiscal year 2016-2017, the Sewer Utility Enterprise Fund advanced $252,960 to the Building Maintenance Internal Service Fund to assist in financing the City Hall HVAC Chiller Replacement project. The advance is to be repaid within ten years and bears interest at 1.5% per year. The balance as of June 30, 2021 was $131,217.

During fiscal year 2002-2003, the Pittsburg Power Enterprise Fund advanced $375,000 to the Golf Course Special Revenue Fund for the replacement and improvements of golf carts. The advance was to be repaid within ten years provided the money is available in the Golf Fund. The balance as of June 30, 2021 was $375,000.

NOTE 5 – INTERFUND TRANSACTIONS (Continued)

C. Interfund Transfers

At June 30, 2021, the City had the following inter-fund transfers:

A. Transfers to the General Fund were to fund General Fund operations and administrative services for which the other funds received services.
B. Transfers to Housing to cover operating expenses.
C. Transfers to cover Citywide Lighting & Landscaping, Gas Tax (RMRA) and Golf Course operating expenses. Also, for road maintenance/repairs/improvements and accounts for program income in CDBG.
D. Transfers for Marina maintenance repairs and dredging.
E. Transfers to the Water Utility Enterprise Fund to subsidize senior discount.
F. Transfer to Water Utility Enterprise Fund to allocate Utility Billing administrative time. Employees are split between Water and Sewer Funds. Also, for replacement of water and sewer lines on 9th Street.
G. Transfers to cover Future Build program.
H. Transfers to fund unfunded OPEB liability.

NOTE 5 – INTERFUND TRANSACTIONS (Continued)

FROM FUND	TO FUND	AMOUNT	
Housing Authority (Section 8) Special Revenue Fund		$ 25,000	
Miscellaenous Grants Special Revenue Fund		130,797	
Non-Major Governmental Funds		4,027,223	
Water Utility Enterprise Fund		281,569	
Sewer Utility Enterprise Fund		56,314	
Pittsburg Power Enterprise Fund		779,750	
	General Fund	5,300,653	A,B
General Fund		1,727,936	C
Non-Major Governmental Funds		1,888,819	C
Marina Enterprise Fund		40,000	D
Water Front Operations Fund		947,000	D
	Non-Major Governmental Funds	4,603,755	
	Sub-total: Total Governmental Funds	9,904,408	
General Fund		40,000	E
Sewer Utility Enterprise Fund		1,018,776	F
	Water Utility Enterprise Fund	1,058,776	
General Fund	Pittsburg Power Enterprise Fund	50,650	G
General Fund		361,264	H
Housing Authority (Section 8) Special Revenue Fund		18,680	H
Successor Agency Housing Special Revenue Fund		562	H
Non-Major Governmental Funds		56,769	H
Water Utility Enterprise Fund		112,893	H
Sewer Utility Enterprise Fund		23,596	H
Marina Enterprise Fund		16,994	H
Pittsburg Power Enterprise Fund		33,989	H
Water Front Operations Fund		13,343	H
Internal Service Funds		21,910	H
	Internal Service Funds	660,000	
	Sub-total: Total Proprietary Funds	1,769,426	
	TOTAL TRANSFERS	$ 11,673,834	

NOTE 6 – CAPITAL ASSETS

A. Government-Wide Financial Statements

At June 30, 2021, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets:			
Land	$ 36,285,723	$ 2,187,105	$ 38,472,828
Construction in progress	16,531,188	37,273,401	53,804,589
Total non-depreciable assets	52,816,911	39,460,506	92,277,417
Depreciable assets:			
Buildings and improvements	108,206,079	34,212,246	142,418,325
Machinery and equipment	19,987,771	11,473,611	31,461,382
Infrastructure	298,271,915	145,592,106	443,864,021
Total depreciable assets	426,465,765	191,277,963	617,743,728
Less accumulated depreciation:			
Buildings and improvements	(49,427,658)	(11,371,278)	(60,798,936)
Machinery and equipment	(15,670,918)	(6,136,648)	(21,807,566)
Infrastructure	(174,306,883)	(57,380,039)	(231,686,922)
Total accumulated depreciation	(239,405,459)	(74,887,965)	(314,293,424)
Total net depreciable assets	187,060,306	116,389,998	303,450,304
Total capital assets	$ 239,877,217	$ 155,850,504	$ 395,727,721

NOTE 6 – CAPITAL ASSETS (Continued)

The following is a summary of capital assets for governmental activities:

	Balance at July 1, 2020	Additions	Deletions	Transfers	Balance at June 30, 2021
Non-depreciable assets:					
Land	$ 36,285,723	$ -	$ -	$ -	$ 36,285,723
Construction in Progress	14,947,735	5,249,075	-	(3,665,622)	16,531,188
Total	51,233,458	5,249,075	-	(3,665,622)	52,816,911
Depreciable assets:					
Buildings and Improvements	104,607,299	331,431	-	3,267,349	108,206,079
Machinery and Equipment	19,539,677	197,763	(147,942)	398,273	19,987,771
Infrastructure	298,271,915	-	-	-	298,271,915
Total	422,418,891	529,194	(147,942)	3,665,622	426,465,765
Less accumulated depreciation:					
Buildings and Improvements	(46,464,367)	(2,963,291)	-	-	(49,427,658)
Machinery and Equipment	(14,351,494)	(1,467,366)	147,942	-	(15,670,918)
Infrastructure	(167,928,641)	(6,378,242)	-	-	(174,306,883)
Total	(228,744,502)	(10,808,899)	147,942	-	(239,405,459)
Total depreciable assets, net	193,674,389	(10,279,705)	-	3,665,622	187,060,306
Total capital assets, net	$ 244,907,847	$ (5,030,630)	$ -	$ -	$ 239,877,217

Governmental activities depreciation expenses for capital assets for the year ended June 30, 2021 are as follows:

General Government	$ 1,196,328
City Manager and City Clerk	41,051
Human Resources	4,236
Finance and Services	85,430
Community Development and Services	100,353
Public Safety	224,082
Public Works	8,317,919
Internal Service Funds	839,500
Total depreciation expense	$ 10,808,899

NOTE 6 – CAPITAL ASSETS (Continued)

The following is a summary of capital assets for business-type activities:

	Balance at July 1, 2020	Additions	Deletions	Transfers	Balance at June 30, 2021
Non-depreciable assets:					
Land	$ 2,187,105	$ -	$ -	$ -	$ 2,187,105
Construction in Progress	26,578,672	11,162,998	-	(468,269)	37,273,401
Total	28,765,777	11,162,998	-	(468,269)	39,460,506
Depreciable assets:					
Buildings and improvements	34,105,920	-	-	106,326	34,212,246
Machinery and equipment	11,284,392	53,320	(34,512)	170,411	11,473,611
Infrastructure	145,416,823	-	(16,249)	191,532	145,592,106
Total	190,807,135	53,320	(50,761)	468,269	191,277,963
Less accumulated depreciation:					
Buildings and improvements	(10,872,616)	(498,662)	-	-	(11,371,278)
Machinery and equipment	(5,620,218)	(550,942)	34,512	-	(6,136,648)
Infrastructure	(54,889,216)	(2,501,622)	10,799	-	(57,380,039)
Total	(71,382,050)	(3,551,226)	45,311	-	(74,887,965)
Total depreciable assets,	119,425,085	(3,497,906)	(5,450)	468,269	116,389,998
Total capital assets, net	$ 148,190,862	$ 7,665,092	$ (5,450)	$ -	$ 155,850,504

Business-type activities depreciation expenses for capital assets for the year ended June 30, 2021 are as follows:

Water Utility	$ 1,729,112
Sewer Utility	737,812
Marina	497,224
Pittsburg Power	581,663
Water Front Operations	5,415
Total	$ 3,551,226

B. Fund Financial Statements

The Governmental Fund Financial Statements do not present General Government Capital Assets. Consequently, capital assets are shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

The capital assets of the enterprise funds in the Proprietary Fund Financial Statements are the same as those shown in the business-type activities of the Government-Wide Financial Statements. Internal Service Funds capital assets are combined with governmental activities.

NOTE 7 – LONG TERM DEBT

Governmental Activities

The following is a summary of long-term debt transactions of the governmental activities for the year ended June 30, 2021:

Description	Original Issue Amount	Beginning Balance July 1, 2020	Additions	Retirements	Ending Balance June 30, 2021	Amounts Due Within One Year	Amounts Due in More Than One Year
Governmental Activities - Bonds							
2006 Pension Obligation Bonds	$39,566,056	$33,422,178	$ 1,770,065	$ 2,320,000	$ 32,872,243	$ 2,405,000	$ 30,467,243
Governmental Activities - Direct Borrowings							
CEC Energy Conservation Loan	571,097	143,568	-	70,715	72,853	72,853	-
Capital Lease - Street Sweeper	225,000	23,907	-	23,907	-	-	-
Capital Lease - VOIP System Upgrade	606,044	242,417	-	121,209	121,208	121,208	-
PG&E Energy Efficient Loan	213,294	167,085	-	21,329	145,756	21,329	124,427
Capital Lease - Fleet Maintenance	549,017	395,018	-	107,603	287,415	111,731	175,684
Capital Lease - Fleet Maintenance Equipment	261,368	212,954	-	50,271	162,683	52,200	110,483
Capital Lease - Vehicles and Equipment	848,058	770,075	-	160,321	609,754	166,307	443,447
Total Governmental Activities - Direct Borrowings		1,955,024	-	555,355	1,399,669	545,628	854,041
Total Governmental Activities		$35,377,202	$ 1,770,065	$ 2,875,355	$34,271,912	$ 2,950,628	$31,321,284

Series 2006 Pension Obligation Bonds

On June 15, 2006, the City issued $39,566,056 of Series 2006 Taxable Pension Obligations Bonds bearing interest at 5.784-6.115% to prepay the City's unfunded accrued actuarial liability of the Miscellaneous and Safety plans through the California Public Employees' Retirement System. The City also prepaid the unfunded liability owed to Contra Costa County Employees Retirement Association (CCCERA) which amounted to $12,700,000 as of June 30, 2006. The Bonds are issued as current interest bonds and capital interest bonds where the current interest is payable annually on July 1, and the capital appreciation bonds will accrete interest from the date of issuance and will be payable only upon maturity or redemption. The bonds are payable from any form of taxation. The bond covenant contains events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. The covenant also contains a subjective acceleration clause that allows the trustees or holders, who hold the majority of the aggregate principal amount of the notes, to accelerate payment of the entire principal amount outstanding and interest accrued to become immediately due if they determine that a material adverse change occurs. Annual principal and interest payments on the bonds are expected to require approximately 5.0% of city-wide revenues. At June 30, 2021, the total principal and interest remaining to be paid on the bonds was $59,718,041. For the current year, principal and interest paid were $3,684,763 and city-wide revenues were $103,296,523.

NOTE 7 – LONG TERM DEBT (Continued)

The Bonds unaccreted discount and the current year accretion totaled $12,512,757 and $1,770,065, respectively, at June 30, 2021. The Bonds do not pay periodic interest. Interest on the Bonds will accrete in value at the rates between 5.85% and 6.12%. Repayment of the accreted principal commenced July 1, 2015. Final repayment will be July 1, 2036.

The annual debt service requirements to mature the Series 2006 Pension Obligation Bonds outstanding at June 30, 2021, were as follows:

Year Ending June 30,	Principal (1)	Interest	Total
2022	$ 2,405,000	$ 1,333,684	$ 3,738,684
2023	2,555,000	1,299,389	3,854,389
2024	2,650,000	1,261,572	3,911,572
2025	2,750,000	1,220,061	3,970,061
2026	2,855,000	1,174,709	4,029,709
2027-2031	14,210,000	5,296,532	19,506,532
2032-2036	17,960,000	2,747,094	20,707,094
Total	$ 45,385,000	$ 14,333,041	$ 59,718,041

(1) Includes unaccreted discount in the total amount of $12,512,757.

CEC Energy Conservation Loan (Direct Borrowing)

On May 31, 2012, the City obtained a State of California Energy Resources Conservation and Development Commission loan from the California Energy Commission (CEC), in the amount of $571,097, bearing an interest rate of 3.0% to convert all decorative lamp fixtures from High Pressure Sodium (HPS) to Light Emitted Diode (LED), including the installation of 621 LED lamps on 610 poles. The loan is repayable from general funds from savings in energy costs, and interest and principal payments are payable semiannually on June 22 and December 22, commencing December 22, 2013.

As of June 30, 2021, the outstanding principal balance on the loan was $72,853.

The annual debt service requirements to mature the loan outstanding at June 30, 2021 were as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 72,853	$ 1,645	$ 74,498
Total	$ 72,853	$ 1,645	$ 74,498

NOTE 7 – LONG TERM DEBT (Continued)

Capital Leases for Governmental Activities (Direct Borrowings)

On November 5, 2015, the City entered into a five-year lease agreement for a total principal cost of $225,000 with Holman Capital Corporation for one street sweeper. The interest rate on the capital lease is 2.75% and principal and interest payments are due semi-annually, commencing May 5, 2015, maturing on November 5, 2020. As of June 30, 2021, the City has fully paid off the lease.

On April 2, 2018, the City entered into a five-year interest free (0%), master tax-exempt lease agreement for a total principal cost of $606,044 with Key Government Finance, Inc. to finance the upgrade of the City's computer network equipment and internet protocol phone system. Principal payments are due annually, commencing May 3, 2018, and maturing on May 3, 2022. As of June 30, 2021, the outstanding principal balance of the lease was $121,208.

The annual debt service requirements to mature the lease outstanding at June 30, 2021 are as follows:

Year Ending June 30,	Principal	Total
2022	$ 121,208	$ 121,208
Total	$ 121,208	$ 121,208

On April 5, 2018, the City obtained a ten-year, interest free (0%), no fee loan from Pacific Gas and Electric (PG&E) in the amount of $213,294, to partially fund the cost of replacing the City Hall Chiller with an energy-efficient system. The loan is repayable from general funds. Principal payments are paid monthly with on-bill PG&E payments, commencing May 2018. As of June 30, 2021, the outstanding principal balance on the loan was $145,756.

The annual debt service requirements to mature the lease outstanding at June 30, 2021, are as follows:

Year Ending June 30,	Principal	Total
2022	$ 21,329	$ 21,329
2023	21,329	21,329
2024	21,329	21,329
2025	21,329	21,329
2026	21,329	21,329
2027-2028	39,111	39,111
Total	$ 145,756	$ 145,756

On November 15, 2018, the City entered into a five-year lease agreement for a total principal cost of $549,017 with Holman Capital Corporation to finance the purchase of three vehicles and a street sweeper for the Fleet Maintenance Department. The interest rate on the capital lease is 3.80% and principal and interest payments are due semi-annually, commencing May 15, 2019, and maturing on November 15, 2023. As of June 30, 2021, the outstanding principal balance of the lease was $287,415.

NOTE 7 – LONG TERM DEBT (Continued)

The annual debt service requirements to mature the lease outstanding at June 30, 2021, are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 111,731	$ 9,870	$ 121,601
2023	116,018	5,584	121,602
2024	59,666	1,135	60,801
Total	$ 287,415	$ 16,589	$ 304,004

On April 24, 2019, the City entered into a five-year lease agreement for a total principal cost of $261,368 with Holman Capital Corporation for various equipment. The interest rate on the capital lease is 3.80% and principal and interest payments are due semi-annually, commencing October 24, 2019, maturing on April 24, 2024. As of June 30, 2021, the outstanding principal balance of the lease was $162,683.

The annual debt service requirements to mature the lease outstanding at June 30, 2021, are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 52,200	$ 5,691	$ 57,891
2023	54,202	3,688	57,890
2024	56,281	1,609	57,890
Total	$ 162,683	$ 10,988	$ 173,671

On October 21, 2019, the City entered into a five-year lease agreement for a total principal cost of $848,058 with Holman Capital Corporation for various vehicles and equipment. The interest rate on the capital lease is 3.70% and principal and interest payments are due semi-annually, commencing April 21, 2020, maturing on October 21, 2024. As of June 30, 2021, the outstanding principal balance of the lease was $609,754.

The annual debt service requirements to mature the lease outstanding at June 30, 2021, are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 166,307	$ 21,037	$ 187,344
2023	172,517	14,827	187,344
2024	178,960	8,384	187,344
2025	91,970	1,701	93,671
Total	$ 609,754	$ 45,949	$ 655,703

NOTE 7 – LONG TERM DEBT (Continued)

Business-Type Activities

The following is a summary of long-term debt transactions of the business-type activities for the year ended June 30, 2021:

Description	Original Issue Amount	Beginning Balance July 1, 2020	Retirements	Ending Balance June 30, 2021	Amounts Due Within One Year	Amounts Due in More Than One Year
2014 Waste Water Revenue Refunding Bonds (Bank of the West Private Placement)	$ 5,342,000	$ 796,000	$ 796,000	$ -	$ -	$ -
2016 Water Revenue Refunding Bonds	30,850,000	25,975,000	1,405,000	24,570,000	1,450,000	23,120,000
2014 California Infrastructure and Economic Development Direct Bank Loan	11,387,398	10,206,206	261,686	9,944,520	270,871	9,673,649
		$ 36,977,206	$ 2,462,686	$ 34,514,520	$ 1,720,871	$ 32,793,649

2014 Waste Water Revenue Refunding Bonds (Bank of the West Private Placement)

The City of Pittsburg Financing Authority previously issued $11,950,000 of Wastewater Revenue Refunding Bonds, Series 2004 pursuant to a Trust Agreement, a Master Installment Sale Agreement and a First Supplemental Installment Sale Agreement; all dated March 1, 2004. The bonds bore interest rates from 2.00%-4.25%.

To refinance the 2004 Bonds, the Financing Authority, with the City, entered into an installment sale agreement to provide funds in an aggregate principal amount of $5,342,000. The financing was placed privately with Bank of the West. A portion of the proceeds of the Financing was deposited into an irrevocable escrow for full redemption of the 2004 Bonds. The installment sales payments bear an interest rate of 1.55% per annum with interest payments made semi-annually on June 1 and December 1 commencing December 1, 2014 through June 1, 2021. The installments are payable solely from Net Wastewater Revenues. The City is subject to certain revenue bond covenants, the most restrictive of which requires annual net revenues be equal to at least 120% of the current annual debt service requirements of the refunding Bonds. For the current year, principal and interest paid were $805,254 and wastewater net revenues were $2,943,979. As of June 30, 2021, the City has fully paid off the bonds.

2016 Water Revenue Refunding Bonds

On November 15, 2016, the City issued 2016A Water Revenue Refunding Bonds in the amount of $30,070,000 Series 2016A Tax Exempt and $780,000 Series 2016-Taxable Bonds for a combined total of $30,850,000. The proceeds from the Bonds were used to retire the 2008 Water Refunding Bond and to pay a Swap Termination Fee. The Tax-Exempt Bonds bear interest ranging from 2.0%-5.0% and the Taxable bonds bear interest of 0.87%. Interest on Tax-Exempt bonds is payable semi-annually each February 1st and August 1st. The Tax-Exempt bonds will mature on August 1, 2034.

NOTE 7 – LONG TERM DEBT (Continued)

The bond covenant contains events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. The covenant also contains a subjective acceleration clause that allows the trustees or holders, who hold the majority of the aggregate principal amount of the notes, to accelerate payment of the entire principal amount outstanding and interest accrued to become immediately due if they determine that a material adverse change occurs.

The annual debt service requirements to mature the loan outstanding at June 30, 2021 were as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 1,450,000	$ 1,042,250	$ 2,492,250
2023	1,500,000	975,750	2,475,750
2024	1,560,000	899,250	2,459,250
2025	1,620,000	819,750	2,439,750
2026	1,680,000	737,250	2,417,250
2027-2031	9,485,000	2,367,200	11,852,200
2032-2035	7,275,000	419,375	7,694,375
Total	$ 24,570,000	$ 7,260,825	$ 31,830,825

2014 California Infrastructure and Economic Development Bank Installment Sale Agreement (Direct Loan)

On November 17, 2014, the City of Pittsburg entered into an installment sale agreement (agreement) with the California Infrastructure and Economic Development Bank for financing the costs of modifications to the Pittsburg Water Treatment Plant and installation of approximately 9,100 feet of transmission line and other related costs. The principal amount provided under the agreement is $11,387,398 payable over a term of 30 years. Principal payments are made annually on August 1, commencing August 1, 2015 through August 1, 2044. The installment sales payments bear an interest rate of 3.51% per annum with interest payments made semi-annually on February 1 and August 1, commencing February 1, 2015 through August 1, 2044. The installments are payable from Water Charge Revenues. During fiscal year ended June 30, 2021, principal and interest paid was $615,331 and water charge revenues were $29,104,815.

The agreement contains events of default that require the revenue of the City to be applied by the Bank as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the loan; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. The covenant also contains a subjective acceleration clause that allows the Bank to accelerate payment of the entire principal amount outstanding and interest accrued to become immediately due if they determine that a material adverse change occurs.

NOTE 7 – LONG TERM DEBT (Continued)

The annual debt service requirements to mature the outstanding balance at June 30, 2021, were as follows:

Year Ending June 30,	Principal	Interest	Annual Fee
2022	$ 270,871	$ 344,299	$ 29,834
2023	280,379	334,624	29,021
2024	290,220	324,610	28,180
2025	300,407	314,245	27,309
2026	310,951	303,516	26,408
2027-2031	1,726,339	1,342,986	117,374
2032-2036	2,051,338	1,012,279	89,598
2037-2041	2,437,524	619,317	56,589
2042-2045	2,276,491	163,254	17,367
Total	$ 9,944,520	$ 4,759,130	$ 421,680

NOTE 8 – SPECIAL ASSESSMENT DISTRICT DEBT WITHOUT CITY COMMITMENT

The City has sponsored special assessment debt issues under which it has no legal or moral liability with respect to repayment of the debt and therefore does not include this debt in the City's Governmental Activities. The activity for those issues for the year ended June 30, 2021, was as follows:

	Balance June 30, 2020	Retirements	Balance June 30, 2021
2001-03 Century Plaza A.D. Bonds	$ 2,795,000	$ 150,000	$ 2,645,000
2011 Pittsburg IFA Bonds	9,285,000	1,270,000	8,015,000
2015 Vista Del Mar A.D. Refunding Bonds	8,260,000	380,000	7,880,000
Total	$ 20,340,000	$ 1,800,000	$ 18,540,000

2001-03 Century Plaza Assessment District Bonds – The Century Plaza Bonds bear interest rates between 2.40% and 5.88% with interest payments made semi-annually on March 2 and September 2. The Century Plaza Bonds are to be paid from annual assessment installments. Proceeds from the Century Plaza Bonds were used to finance the construction and acquisition of certain public improvements within the City's Assessment District No. 2001-03. The outstanding balance at June 30, 2021 amounted to $2,645,000.

2011 Pittsburg Infrastructure Financing Authority Bonds – In August 2011, the City refinanced the 1998 Marina Walk Assessment District Bonds, 1998 Pittsburg Infrastructure Financing Authority Bonds, 2001-01 San Marco Assessment District Bonds and 2001-02 Oak Hills South Assessment District Bonds. These Districts were consolidated into one Reassessment District No. 2011-1. The true interest cost of the refunded bonds is 4.5%. The outstanding balance at June 30, 2021 amounted to $8,015,000.

NOTE 8 – SPECIAL ASSESSMENT DISTRICT DEBT WITHOUT CITY COMMITMENT (Continued)

2015 Vista Del Mar Assessment District Special Tax Refunding Bonds – In June 2015, the City refunded and defeased the 2005 Vista Del Mar Assessment District Bonds. The 2015 Vista Del Mar Bonds bear interest rates between 2.00% and 5.00% with interest payments made semi-annually on March 1 and September 1. The Vista Del Mar Bonds are to be paid from special taxes which are levied by the City on taxable real property within the boundaries of the District. The outstanding balance at June 30, 2021 amounted to $7,880,000.

NOTE 9 – NET POSITION AND FUND BALANCES

Net Position is measured on the full accrual basis while Fund Balance is measured on the modified accrual basis.

A. Net Position

Net Position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described below:

In the Government-Wide Financial Statements, net positions are classified in the following categories.

Net Investment in Capital Assets, describes the portion of Net Position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income purposes.

Unrestricted describes the portion of Net Position which is not restricted to use.

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities.

The City's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions,* which requires the City to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

Nonspendables represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.

Committed fund balances have constraints imposed by formal action of the City Council through City Resolution, which may be altered only by formal action (Resolution) of the City Council. Nonspendable amounts subject to council commitments are included along with spendable resources.

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed through City Resolution, Ordinance, or through language in the adopted budget, by the City Council or its designee (City Manager for items from $75,000 to $150,000 and Senior Executive Team members for items below $75,000) and may be changed at the discretion of the City Council or its designee.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

To comply with GASB 54 requirements, the Budget Stabilization, Economic Development and California Theatre activities are consolidated within the General Fund. The following table provides details of the General Fund's fund balance at June 30, 2021:

Fund/Activity	Nonspendable	Assigned	Unassigned	Total
General	$ 1,302,864	$ 105,795	$ 29,574,924	$ 30,983,583
Budget stabilization	-	-	2,445,285	2,445,285
Economic development	-	1,084,292	-	1,084,292
Total	$ 1,302,864	$ 1,190,087	$ 32,020,209	$ 34,513,160

Budget Stabilization Arrangement

City Council adopted a Resolution establishing a Budget Stabilization Fund for the City's General Fund and requires the City to deposit year-end surpluses into it. The funds can only be used to help balance future budgets. As of June 30, 2021, the Budget Stabilization, which is reported within the unassigned fund balance of the General Fund, had a balance of $2,445,285.

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

Detailed classifications of the City's Fund Balances, as of June 30, 2021, are listed below:

		Special Revenue				
Fund Balance Classifications	General Fund	Housing Authority Section 8	Successor Agency Housing	Miscellaneous Grants	Other Governmental Funds	Total
Nonspendables:						
Items not in spendable form:						
Prepaid Items	$ 16,379	$ 16,288	$ -	$ -	$ 12,813	$ 45,480
Loans and Notes Receivable	1,224,979	-	-	-	-	1,224,979
Inventory	61,506	1,374	-	57,167	252,973	373,020
Total Nonspendable Fund Balances	1,302,864	17,662	-	57,167	265,786	1,643,479
Restricted for:						
Special Revenue	-	-	-	1,010	12,830,776	12,831,786
Debt Service	-	-	-	-	3,250,071	3,250,071
Low Income Housing	-	266,784	6,834,678	-	801,567	7,903,029
Capital Projects	-	-	-	-	12,788,449	12,788,449
Total Restricted Fund Balances	-	266,784	6,834,678	1,010	29,670,863	36,773,335
Committed to:						
Capital Improvement	-	-	-	-	3,227,808	3,227,808
Field Replacement	-	-	-	-	729,794	729,794
Public Education	-	-	-	-	982,281	982,281
Total Committed Fund Balances	-	-	-	-	4,939,883	4,939,883
Assigned to:						
Special Revenue Projects	-	-	-	-	64,160	64,160
Police Buys	1,220	-	-	-	-	1,220
Leisure Service	6,656	-	-	-	-	6,656
Inventory	62,624	-	-	-	-	62,624
Payroll Imprest Fund Balance	35,295	-	-	-	-	35,295
Economic Development	1,084,292	-	-	-	-	1,084,292
Total Assigned Fund Balances	1,190,087	-	-	-	64,160	1,254,247
Unassigned:						
General fund	29,574,924	-	-	-	-	29,574,924
Stabilization Arrangements	2,445,285	-	-	-	-	2,445,285
Other governmental funds	-	-	-	-	(3,781,016)	(3,781,016)
Total Unassigned Fund Balances	32,020,209	-	-	-	(3,781,016)	28,239,193
Total Fund Balances	$ 34,513,160	$ 284,446	$ 6,834,678	$ 58,177	$ 31,159,676	$ 72,850,137

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

C. Deficit Fund Balance/Net Position

At June 30, 2021, the following funds had deficit fund balances:

Fund	Amount	
Special Revenue Funds:		
HUD Community Development Block Grant	$ 15,671	(a)
Railroad Avenue Specific Area Plan	3,093,125	(b)
Golf Course	374,938	(c)
Capital Projects Fund:		
Regional Freeway Security Fee	158,127	(d)

(a) The deficit is caused by timing differences and will be reduced by future CDBG funds.
(b) The deficit is caused by the completion of the eBart project and will be reduced by future assessments revenues.
(c) The deficit is caused by the recategorization of the Golf Course from an Enterprise Fund to a Special Revenue, as capital assets are no longer recorded withing the fund, and will be reduced with future revenues.
(d) The deficit is caused by timing differences and will be reduced by future CalTrans funds.

D. Prior Period Adjustments

During the fiscal year 2020-21 the City determined that the investments held in its Section 115 Pension Trust account should be reported as investments on the City's books in consistent with GAAP. As a result, the net positions and investments balances of the 115 Pension Reserve Internal Service Fund and Governmental Activities were each increased by $1,171,619 at July 1, 2020.

NOTE 10 – RISK MANAGEMENT

A. General Liability Insurance

The City is self-insured for the first $25,000 of each loss and maintains excess liability insurance through Municipal Pooling Authority (MPA). The City is not insured for liability occurrences over $29,000,000 per occurrence.

B. Workers' Compensation

The City maintains statutory excess workers' compensation insurance through MPA, and is insured for an individual accident resulting in claims up to statutory limits. The City is not self-insured for any initial portion of a claim but is self-insured for claims exceeding statutory limits.

NOTE 10 – RISK MANAGEMENT (Continued)

C. Estimated Reserves for Claims

Municipalities are required to record their liability for uninsured claims and to reflect the current portion of this liability as expenditure in their financial statements. As discussed below, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion, of these claims.

The City reports all claims as a current liability based on historical results. The City's liability for uninsured claims, based on claims history, was computed as follows and is recorded in the Insurance Internal Service Fund:

For the Years Ended June 30,	Claims Payable at July 1	Fiscal Year Claims and Changes in Estimates	Claims Payments	Claims Payable at June 30
2012	$ 153,669	$ (27,629)	$ (8,327)	$ 117,713
2013	117,713	47,199	(36,027)	128,885
2014	128,885	88,503	(22,323)	195,065
2015	195,065	202,195	(148,208)	249,052
2016	249,052	90,846	(189,401)	150,497
2017	150,497	506,110	(399,353)	257,254
2018	257,254	(65,124)	(64,612)	127,518
2019	127,518	115,612	(168,608)	74,522
2020	74,522	137,571	(141,895)	70,198
2021	70,198	472,501	(317,182)	225,517

D. Purchased Insurance

MPA provides additional coverage for the following risks incurred by the City:

Coverage Type	Deductible	Coverage Limits
All Risk Fire and Property	$ 25,000	$ 800,000,000
All Vehicles (Physical Damage)	2,000	250,000
Boiler and Machinery	5,000	100,000,000
Cyber Liability	50,000	2,000,000
Employment Liability	50,000	2,000,000
Flood	100,000	25,000,000
Government Crime Coverage	2,500	5,000,000
Liability	25,000	29,000,000
Police Vehicles (Physical Damage)	3,000	250,000
Public Entity Pollution Liability	100,000	1,000,000
Workers' Compensation	None	Statutory Limits

MPA is governed by a Board consisting of representatives from member municipalities.

NOTE 10 – RISK MANAGEMENT (Continued)

The Board controls the operations of MPA, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

The City's deposits with MPA are in accordance with formulas established by MPA. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

Audited financial statements can be obtained from Municipal Pooling Authority at 1911 San Miguel Drive #200, Walnut Creek, CA 94596-5332.

E. Adequacy of Protection

During the past three fiscal (claims) years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

NOTE 11 – DEFINED BENEFIT PENSION PLANS

A. Plan Descriptions and Summary of Balances by Plan

The City has two defined benefit pension plans, a Miscellaneous Plan and a Safety Plan. The Miscellaneous Plan is an Agent-Multiple Employer Plan and the Safety Plan is a Cost-Sharing Employer Plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City Ordinance.

All qualified permanent and probationary employees are eligible to participate in the separate Safety Plan, cost-sharing multiple employer defined benefit pension plan and Miscellaneous (all other) Plan, an agent multiple-employer defined benefit pension plan, administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

Below is a summary of the deferred outflows of resources, net pension liabilities and deferred inflows of resources by Plan:

Plan	Deferred Outflows of Resources	Net Pension Liability/ Proportionate Share of Net Pension Liability	Deferred Inflows of Resources	Pension Expense
CalPERS Plans:				
Miscellaneous	$ 6,519,736	$ 29,759,026	$ 726,470	$ 7,141,434
Safety	8,343,110	30,873,359	1,527,037	2,556,935
CCCERA Closed Plan	-	5,563,389	-	253,454
Total	$ 14,862,846	$ 66,195,774	$ 2,253,507	$ 9,951,823

The long-term portion of the governmental activities Net Pension Liability is liquidated primarily by the General Fund.

Each Plan is discussed in detail below.

B. CalPERS Miscellaneous Plan

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. The Pension Reform Act of 2013 (PEPRA), Assembly Bill 340, is applicable to employees new to CalPERS and hired after December 31, 2012.

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous		
Hire date	Prior to July 10, 2011	On or after July 10, 2011	On or after January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 to 63	50 to 63	52 to 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.092% to 2.418%	1.000% to 2.500%
Required employee contribution rates	7.0%	7.0%	6.25%
Required employer contribution rates (A)	9.339%	9.339%	9.339%

(A) Represents a blended contribution rate.

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability (UAL). The dollar amounts are billed on a monthly basis or the City can elect a lump sum payment option. The City's required contributions for the unfunded liability in the Miscellaneous for the year ended June 30, 2021 were $1,754,397, which were made under the lump sum payment option.

Employees Covered – As of the June 30, 2019 actuarial valuation date, the following employees were covered by the benefit terms for the Plan:

	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	143
Inactive employees entitled to but not yet receiving benefits	185
Active employees	184
Total	512

As of June 30, 2021, the City had 184 active employees in the Miscellaneous Plan.

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Net Pension Liability – The City's net pension liability for the Miscellaneous Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

Changes in Net Pension Liability – The changes in the Net Pension Liability for the Miscellaneous Plan follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019	$ 104,439,592	$ 78,141,469	$ 26,298,123
Changes in the year:			
Service cost	2,353,997	-	2,353,997
Interest on the total pension liability	7,496,928	-	7,496,928
Changes in benefit terms	-	-	-
Changes in assumptions	-	-	-
Differences between actual and expected experience	1,434,791	-	1,434,791
Net Plan to Plan Resource Movement	-	-	-
Contribution - employer	-	2,806,209	(2,806,209)
Contribution - employee	-	1,201,689	(1,201,689)
Net investment income	-	3,927,075	(3,927,075)
Benefit payments, including refunds of employee contributions	(4,398,489)	(4,398,489)	-
Administrative Expenses	-	(110,160)	110,160
Other Miscellaneous Income/(Expense)	-	-	-
Net changes	6,887,227	3,426,324	3,460,903
Balance at June 30, 2020	$ 111,326,819	$ 81,567,793	$ 29,759,026

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for the Plan, calculated using the discount rate for the Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous
1.0% Decrease	6.15%
Net Pension Liability	$ 45,900,860
Current Discount Rate	7.15%
Net Pension Liability	$ 29,759,026
1.0% Increase	8.15%
Net Pension Liability	$ 16,515,319

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings on investments – 5 year straight-line amortization

All other amounts – Straight-line amortization over the average expected remaining services lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

For the year ended June 30, 2021, the City recognized pension expense of $7,141,434. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 3,072,547	$ -
Changes in assumptions	-	(726,470)
Differences between actual and expected experience	2,751,510	-
Net differences between projected and actual earnings on plan investments	695,679	-
Total	$ 6,519,736	$ (726,470)

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

$3,072,547 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization
2022	$ 421,897
2023	1,231,987
2024	739,753
2025	327,082
Total	$ 2,720,719

Actuarial assumptions and information regarding the discount rate are discussed in Note 11D below.

C. CalPERS Safety Plan

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Safety		
Hire date	Prior to July 10, 2011	On or after July 10, 2011	On or after January 1, 2013
Benefit formula	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50 to 55	50 to 57
Monthly benefits, as a % of eligible compensation	3.000%	2.400 % to 3.000%	2.000 % to 2.700%
Required employee contribution rates	9.0%	9.0%	13%
Required employer contribution rates	25.391%	20.585%	13.044%

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability (UAL). The dollar amounts are billed on a monthly basis or the City can elect a lump sum payment option. The City's required contributions for the unfunded liability in the Safety for the year ended June 30, 2021 were $1,859,624 which were made under the lump sum payment option.

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the contributions recognized as part of pension expense for each Plan were as follows:

	Safety
Contributions - employer	$ 3,943,074

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – As of June 30, 2021, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Total Safety Net Pension Liability	$ 30,873,359

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2020, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2020 and 2021 was as follows:

	Safety
	All Tiers
Proportion - June 30, 2019	0.44506%
Proportion - June 30, 2020	0.46340%
Change - Increase (Decrease)	0.01834%

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

For the year ended June 30, 2021, the City recognized pension expense of $2,556,935. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 3,943,074	$ -
Differences between actual and expected experience	2,394,072	-
Changes in assumptions	-	(102,840)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	(1,424,197)
Change in proportion	1,334,956	-
Net differences between projected and actual earnings on plan investments	671,008	-
Total	$ 8,343,110	$ (1,527,037)

$3,943,074 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization
2022	$ 736,629
2023	1,034,592
2024	765,566
2025	336,212
Total	$ 2,872,999

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Total
1.0% Decrease	6.15%
Net Pension Liability	$ 47,393,856
Current Discount Rate	7.15%
Net Pension Liability	$ 30,873,359
1.0% Increase	8.15%
Net Pension Liability	$ 17,316,728

Actuarial assumptions and information regarding the discount rate are discussed in Note 11D below.

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

D. Information Common to the Miscellaneous and Safety Plans

Actuarial Assumptions – The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous and Safety (1)
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Actuarial Assumptions:	
Discount Rate	7.15% (Miscellaneous and Safety)
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	(2)
Investment Rate of Return	7.15% (3)
Mortality	Derived using CalPERS Membership Data for all Funds (4)

(1) Actuarial assumptions are the same for all benefit tiers (Tier I-Classic, Tier II, and Tier III-PEPRA)
(2) Depending on age, service and type of employment
(3) Net of pension plan investment expenses, includes inflation
(4) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability was 7.15% for the Miscellaneous and Safety Plans. The projection of cash flows used to determine the discount rate for each Plan assumed contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the expected real rate of return by asset class.

Asset Class (a)	New Strategic Allocation	Real Return Years 1 - 10(b)	Real Return Years 11+(c)
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	100.0%		

(a) In the CalPERS Annual Comprehensive Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.0% used for this period.

(c) An expected inflation of 2.92% used for this period.

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

E. Contra Costa County Employees' Retirement Association

Between July 1, 1973 and June 30, 2001, the City provided retirement benefits to its employee groups by contracting with the Contra Costa County Employees' Retirement Association (CCCERA). The City of Pittsburg converted to the CalPERS retirement system effective July 1, 2001 and entered into a Termination Withdrawal Agreement with CCCERA that resulted in the following consequences: CCCERA retained the obligation to provide future benefits to the City's past retirees and vested members that had left the City's employment prior to July 1, 2001.

The City would provide CalPERS retirement benefits for its then current and future employees. The Termination Withdrawal Agreement stated that as of June 30, 2001, the City accrued liability and allocated assets was determined at $31,483,218. The Termination Withdrawal Agreement also stated that due to market fluctuation and the uncertainty with other actuarial assumptions, the unfunded accrued liability will be recomputed every three years as CCCERA's triennial experience studies are completed. In addition, CCCERA is required to annually submit to the City a cash accounting update of the City of Pittsburg Bookkeeping Asset Account. If the ratio of the balance of the City's Bookkeeping Asset Account to its triennial updated termination unfunded liability is below 95% or exceeds 105%, the resulting obligation (if not paid in full) or surplus, will be amortized as a level amount over 15 years at a 7.75% annual interest rate.

In January 2006, the City received correspondence from CCCERA indicating that the City had an updated unfunded liability of $11,902,898 that had been re-determined as of December 31, 2003. In June 2006, the City issued Pension Obligation bonds for a total amount of $39,566,055; upon completion of this transaction the City utilized these bond proceeds to prepay the unfunded liability owed to CCCERA which amounted to $12,700,000 as of June 30, 2006. The balance of bond funds in the amount of $25,977,758 was used to prepay the City's unfunded accrued liability for both the miscellaneous and safety plans to CalPERS.

Almost a year later the City received a letter from CCCERA dated August 23, 2007, providing the December 31, 2006 withdrawal liability update. In summary, the update reported the funding ratio of the present value of benefits ($47.9 million) to allocated market assets ($45.4 million) as 94.8%. The August 23, 2007 letter stated that since this ratio is below 95% this triggers a lump sum payment as of December 31, 2006 for $2,505,433 plus interest at the rate of 7.8% to date of payment or an annual payment of $289,144 to be amortized over 15 years starting with the first payment due on December 31, 2007.

In December of 2010, CCCERA sent a letter to the City regarding the triennial update of the City of Pittsburg's withdrawal liability as of December 31, 2009. The City of Pittsburg's unfunded termination liability of $15,877,533 was calculated by The Segal Company, which would result in an annual payment of $1,826,746 or approximately $1.5 million more than CCCERA's previous 2006 calculated annual payment of $289,144. In response to CCCERA's December 2010 calculated triennial update of the City's withdrawal liability, the City worked with CCCERA to amend the City's Termination Agreement to (1) allow the calculation to be prepared on an Actuarial rather than Market value of assets basis, and (2) create an 18-month lag between the valuation date and the date the contribution is due which lowered the December 31, 2009 unfunded obligation from $15.9 million to $9.9 million.

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

In addition, the City borrowed $3.8 million from the City's Water Fund balance at the LAIF annual interest rate to repay a portion of the City's CCCERA unfunded liability and used $1,980,096 of various fund balances to help reduce the City's CCCERA unfunded liability. Thus, through fiscal year 2013-2014, the City reduced its CCCERA unfunded liability by $5,780,096 leaving $4.1 million to be repaid over 15 years at the 7.75% annual interest rate.

In December of 2013, CCCERA sent a triennial update of the City Of Pittsburg's pension liability with CCCERA. The liability was increased to $11,312,353 resulting in 14 annual payments of $1,306,656 at an interest rate of 7.25% per annum.

In December of 2015, CCCERA sent a triennial update of the City Of Pittsburg's pension liability with CCCERA. The liability was decreased to $6,810,830 resulting in 15 annual payments of $773,523 at an interest rate of 7.0% per annum.

In December of 2019, CCERA sent a triennial update of the City of Pittsburg's pension liability with CCERA. The liability was decreased to $5,816,843 resulting in 15 annual payments of $660,633 with an interest rate of 7.0% per annum commencing June 30, 2020 for the next fiscal year.

At June 30, 2021, the Net Pension Liability of this Plan was $5,563,389.

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS

Plan Description. The City of Pittsburg Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan administered by the City. The plan provides healthcare benefits to eligible retirees and their dependents. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the City, its management employees, and unions representing City employees.

The City allows eligible retirees to continue in the City medical plans, currently Kaiser and Health Net. The City contributes up to a percentage of the single or dual Kaiser Retiree premium based on years of City service. No dental, vision, or life insurance benefits are provided.

On December 24, 2013, the City established an agreement with the California Public Employees' Retirement System (CalPERS) to set aside funds and deposit into the California Employer's Retiree Benefit Trust (CERBT) fund to accumulate, and distribute assets for the exclusive benefit of retirees and their beneficiaries. Plan assets are irrevocable and may not be used for any purpose other than funding post-retirement health care. The CERBT fund is an agent multiple employer plan and in order to ensure that the CERBT fund remains compliant with all reporting requirements, the CalPERS is responsible for publishing aggregate GASB 43 compliance Financial Statements, Notes, and Required Supplementary Information (RSI). The information may be found on CalPERS website at www.calpers.ca.gov.

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

Funding Policy. There is no statutory requirement for the City to prefund its OPEB obligation. The City has currently chosen to prefund OPEB. There are no employee contributions.

For fiscal year 2020-2021, the City reported $726,643 in contributions to the OPEB Plan, including $1,253,643 in premium payments for retirees, $373,000 for implied subsidies, $300,000 for contributions to the CERBT fund, and $1,200,000 reimbursements from the CERBT fund for premium payments for retirees.

The City allows retirees to participate in the same City medical plans (Kaiser and Health Net) as active employees. For the Kaiser medical plan, retiree premium rates are the same as the active employees. Because this premium rate is a "blended" rate, retiree premiums payments are lower than what they would pay if the retirees were in a standalone medical plan, resulting in an implied subsidy for retirees under GASB Statement 75.

Employees Covered by Benefit Terms. Membership in the plan consisted of the following at the measurement date of June 30, 2020:

Active employees	117
Inactive employees or beneficiaries currently receiving benefit payments	1
Inactive employees entitled to but not yet receiving benefit payments	159
Total	277

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 are consistent with the long-term perspective of the calculations.

In the June 30, 2019 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 6.75% investment rate of return (net of administrative expenses), and a 2.75% general inflation assumption. Premiums were assumed to increase with a Non-Medicare medical cost increase rate of 7.25% for 2021 and grading down to 4.0% for 2076 and thereafter. The Medicare premiums were assumed to increase at a rate of 6.3% and grading down to 4.0% for 2076 and thereafter. The initial UAAL was amortized as a level percentage of projected payrolls over a fixed 27-year period from June 30, 2013 and will be amortized as a level dollar amortization over a 20 year period from June 30, 2020.

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

Net OPEB Liability. The City's net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019, based on the actuarial methods and assumptions shown on the previous page.

The underlying mortality assumptions were based on the CalPERS 1997-2015 Experience Study and all other actuarial assumptions used in the June 30, 2019 valuation were based on the results of a June 30, 2017 actuarial experience study for the period July 1, 2018 through June 30, 2019.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	59%	4.82%
Fixed Income	25%	1.47%
TIPS	5%	1.29%
Commodities	3%	0.84%
REITs	8%	3.76%
Total	100%	
Assumed Long-Term Rate of Inflation		2.75%
Expected Long-Term Net Rate of Return		6.75%

Discount Rate – The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in Net OPEB Liability. The changes in the net OPEB liability are shown in the following table:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at June 30, 2019	$ 40,397,163	$ 4,885,804	$ 35,511,359
Changes Recognized for the Measurement Period:			
Service Cost	647,726	-	647,726
Interest on the total OPEB liability	2,720,705	-	2,720,705
Changes in benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	(710,108)	-	(710,108)
Contributions from the employer	-	1,976,338	(1,976,338)
Net investment income	-	172,535	(172,535)
Administrative expenses	-	(2,459)	2,459
Benefit payments	(1,476,338)	(1,476,338)	-
Net changes	1,181,985	670,076	511,909
Balance at June 30, 2020 (Measurement Date)	$ 41,579,148	$ 5,555,880	$ 36,023,268

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued plan financial report that may be obtained from CalPERS. The benefit payments and refunds include implied subsidy benefit payments in the amount of $373,000.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates.

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current discount rate:

Net OPEB Liability/(Asset)		
Discount Rate -1.0% 5.75%	Discount Rate 6.75%	Discount Rate +1.0% 7.75%
$41,274,387	$36,023,268	$31,673,988

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Net OPEB Liability/(Asset)		
1.0% Decrease (6.25%/5.3% decreasing to 4.0%)	Healthcare Cost Trend Rates (7.25%/6.3% decreasing to 4.0%)	1.0% Increase (8.25%/7.3% decreasing to 4.0%)
$30,928,558	$36,023,268	$42,262,445

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB. For the year ended June 30, 2021, the City recognized OPEB expense of $2,053,277. At June 30, 2021, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	$ 726,643	$ -
Changes in assumptions	-	(982,707)
Differences between expected and actual experience	-	(1,072,602)
Net differences between projected and actual earnings on plan investments	106,429	-
Total	$ 833,072	$ (2,055,309)

$726,643 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Year Ended June 30,	Annual Amortization
2022	$ (977,779)
2023	(876,395)
2024	(128,165)
2025	33,459
Total	$ (1,948,880)

NOTE 13 – COMMITMENTS AND CONTINGENCIES

A. Grants from Other Governments

The City participates in a number of Federal, State, and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the City may be required to reimburse the grantor government. As of June 30, 2021, some amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any individual governmental funds or the overall financial condition of the City.

B. Litigation

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty.

NOTE 13 – COMMITMENTS AND CONTINGENCIES (Continued)

C. Construction Commitments

As of June 30, 2021, the City has construction commitments to various capital projects as shown in the table below:

Project	Amount
2014-15 CCTV/Inspection/Sewer Replacement	$ 5,256,108
BART Pedestrian & Bicycle Connectivity	4,858,768
Main W Leland (WTP to SW Hills)	2,550,000
Traffic Signal Improvments	908,889
W-109 Water System Reliability Project	800,000
Brownfields Multip-Purpose Cooperative Agreement	760,475
James Donlan Extension Project	686,003
Replmnt Water & Sewer Pipeline-E. 9th St.	671,537
2010-11 Sewer Replacement Program	640,402
Boat Launching Facility Improvements	560,327
Ambrose Park Restroom Construction Management	547,072
PK-42 Oakl Hills Restroom	500,000
FY20-21 Pavement Mgmt & Street Improveme	441,222
2020-06 Central Ave Waterline Replacement	416,635
Waterfront Area Reliability	408,040
WTP Disinfection Modification and Conversion	400,000
2020-21 Water Main Installation/Replacement	399,695
Patch Paving,Sealing & Striping	394,620
Biennial Restroom Replacement/Rehabilitation	383,623
W. Leland High Friction	353,469
IE Facility Relocation Project	350,000
Citywide Storm Drain Improvements (2009-01)	336,514
Corp Yard Fueling System Replacement	326,855
19-20 Street Maintenance	322,325
2021/22 WTP Filter Replacement	299,507
Bodega Court Water System Loop Project	296,982
Downtown Ice Rink	280,717
City Park Soccer Field Turf Replacement	235,320
16/17 WTP Sludge Removal	232,724
Regional LPR/Camera Project	213,114
ST-47 2020/21 Street Maintenance	196,212
Annual Park Features Replacement	187,024
Water System Master Plan	180,250
Annual Park and Landscaping Improvements	172,847
Annual Playround Replacement	160,000
Water Treatment Plant Sludge Handling Facility	151,083
Police Evidence & Intake Room Improvements	150,000
Sewer Master Plan Update	149,449
Stoneman Avenue Intersection Improvements	144,449
Highway 4 Trunk Line Relief (2007-09)	133,113
Duct Bank and Vault Replacements	124,367
West Leland Street Lighting	120,606
Mare Island Causeway Bridget Repair	106,097
2019-20 Citywide Pavement Management	100,665
Other Construction	1,507,895
Total Construction Commitments	$ 28,415,000

NOTE 13 – COMMITMENTS AND CONTINGENCIES (Continued)

D. Sales Tax Participation Agreements

The City negotiates sales tax participation agreements on an individual basis. The City has the following sales tax participation agreements with three entities as of June 30, 2021:

Entity	Tax Abated	Gross Dollar Amount of Abatement in Fiscal Year 2021	Commitments made
Contra Costa County	i) 50% of Sales Tax Revenue from annexation area; ii) 100% PG&E Franchise Fee to City in the Annexation Area	$ 39,155	Upon annexation of the northwest inclusion Mirant Power Plant, the City would receive an increased share of the County's property tax revenue of 50% of all sales and use tax revenues from the Annexation Area
Private Company (Confidential)*	25% of Sales Tax Revenue of the parcel not to exceed $1,850,000 over 10 years from 10/15/2012 through 10/14/2022	93,156	Relocation of business
Contra Costa County	$150,000 to County if Sales Tax Revenues that the City receives from the annexation area is greater than $250,000/year. If Sales Tax Revenue is less than $250,000, then the amount to be transferred to the County shall be reduced by the amount the sales revenue that fell short of $250,000	150,000	None

*Pursuant to the Sales and Use Tax law (chapter 8 – Article 1 – section 7056), in order to protect the confidential information of sales taxes collected and abatements provided to each of the specific agencies, the City has presented the aggregate amount abated during the current fiscal year for this entity.

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency. Activities of the Successor Agency are as follows:

A. Notes and Loans Receivable

The various rehabilitation and construction loans including deferred and accrued interest balance is $7,996,012 as of June 30, 2021. These loans have been made to individual homeowners, businesses and developers within the Redevelopment Project Area. The terms of these loans are specific to the borrower and interest rates, as well as usage and repayment requirements, vary according to the loan type. The following are descriptions of the various loans:

- Housing and rehabilitation loans are provided to homeowners who meet low and moderate income requirements as defined by the Department of Housing and Urban Development. These residential loans are available from $5,000 to $25,000 per property at a loan term of 3.0% simple interest for 10 years. The property will be rehabilitated to be free from health and safety violations upon completion of the rehabilitation program. The outstanding balance of these loan types as of June 30, 2021 was $314,126.

- In 2005, a long agreement was entered into with the Mt. Diablo Unified School District (District) in the amount of $6,178,936 for capital improvements. The funding was provided with the 2003A Bond proceeds. The District will repay the loan from school impact fees collected until the Agency is fully reimbursed or 35 years, whichever occurs first. The balance outstanding as of June 30, 2021 was $3,730,283.

- The remaining loans receivable of $3,951,603 as of June 30, 2021 represent a number of small business and property owner rehabilitation and construction loans to eliminate blight by assisting improvements and rehabilitation of properties that were vacant or underutilized.

B. Capital Assets

Capital assets are valued at historical cost or estimated historical cost if historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. The Agency's policy has set the capitalization threshold for general capital assets at $5,000 and infrastructure capital assets at $25,000 for reporting purposes. The Successor Agency has recorded all its public domain (infrastructure) capital assets, which include landscape, storm, street, and traffic systems.

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation of all capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the balance sheet as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Successor Agency has assigned the useful lives and capitalization thresholds listed below to capital assets.

Depreciation is recorded on a straight-line method over the useful lives of the assets as follows:

- Building and Improvements 20 - 70 years
- Machinery and Equipment 3 - 10 years
- Infrastructure 20 - 75 years

Capital Asset Additions, Retirements and Balances

	Balance at June 30, 2020	Deletions	Balance at June 30, 2021
Capital assets not being depreciated:			
Land	$ 4,164,718	$ (457,451)	$ 3,707,267
Total capital assets not being depreciated	4,164,718	(457,451)	3,707,267
Capital assets being depreciated:			
Buildings and Improvements	1,919,494	-	1,919,494
Total capital assets being depreciated	1,919,494	-	1,919,494
Less accumulated depreciation for:			
Buildings and Improvements	(416,448)	(43,542)	(459,990)
Net capital assets being depreciated	1,503,046	(43,542)	1,459,504
Total capital assets, net	$ 5,667,764	$ (500,993)	$ 5,166,771

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

C. Long-Term Debt

The Successor Agency' long-term debt activities for fiscal year ended June 30, 2021 are as follows:

Description	Original Issue Amount	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021	Amounts Due Within One Year	Amounts Due in More Than One Year
Tax Allocation Bonds:							
1999 RDA Bonds	$ 30,106,157	$ 45,454,034	$ 3,467,655	$ 5,150,000	$ 43,771,689	$ 5,150,000	$ 38,621,689
2006A RDA Housing Set-Aside Bonds	11,020,000	8,060,000	-	295,000	7,765,000	310,000	7,455,000
2014 RDA Tax Allocation Refunding Bonds	67,445,000	33,205,000	-	6,040,000	27,165,000	6,335,000	20,830,000
2016A RDA Housing Set-Aside Bonds	13,845,000	10,595,000	-	905,000	9,690,000	930,000	8,760,000
2016A RDA Subordinated Refunding Bonds	120,085,000	120,085,000	-	-	120,085,000	6,175,000	113,910,000
2016C RDA Subordinated Refunding Bonds	37,755,000	18,205,000	-	11,880,000	6,325,000	6,325,000	-
Sub-total		235,604,034	3,467,655	24,270,000	214,801,689	25,225,000	189,576,689
Unamortized premium on 2016A RDA		13,989,832	-	2,807,047	11,182,785	2,734,875	8,447,910
Total Successor Agency Debt		$ 249,593,866	$ 3,467,655	$ 27,077,047	$ 225,984,474	$ 27,959,875	$ 198,024,599

1999 Redevelopment Agency Tax Allocation Bonds

1999 Redevelopment Agency Tax Allocation Bonds (1999 RDA Bonds) outstanding at June 30, 2021 amounted to $90,645,000. The bonds bear interest at rates between 4.1 % and 6.2% with interest payments made semi-annually on February 1 and August 1. The bonds mature on August 1 of each year. The proceeds of the bonds were used to provide money for certain public capital improvements located within the Agency's Project Area, to fund a reserve account, and to pay cost of issuance incurred in connection with the issuance. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 20% from these revenues. The total principal and interest remaining to be paid on the bonds is $85,495,000. For fiscal year 2020-2021, principal and interest paid were $5,150,000. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

In June 2014, the City issued the 2014 Successor Agency to the Redevelopment Agency of the City of Pittsburg Bonds which partially refunded $6,110,000 of currently outstanding Current Interest Bonds of the 1999 bonds.

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

The Bonds unaccreted discount and the current year accretion totaled $41,723,311 and $3,467,655, respectively, at June 30, 2021. The Bonds do not pay periodic interest. Interest on the Bonds will accrete in value at the rates between 6.10% and 6.20%. Repayment of the accreted principal commenced on August 1, 2019. Final repayment will be August 1, 2030.

The annual debt service requirements to mature the Capital Appreciation Bond portion of the 1999 RDA Bonds outstanding at June 30, 2021, were as follows:

Year Ending June 30,	Principal (1)	Totals
2022	$ 5,150,000	$ 5,150,000
2023	8,755,000	8,755,000
2024	8,750,000	8,750,000
2025	8,755,000	8,755,000
2026	8,755,000	8,755,000
2027-2031	45,330,000	45,330,000
Totals	$ 85,495,000	$ 85,495,000

(1) Includes unaccreted discount in the total amount of $41,723,311.

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

2006 Series A Housing Set Aside Redevelopment Agency Tax Allocation Bonds

2006 Series A Housing Set Aside Tax Allocation Bonds (2006A HSA RDA Bonds) outstanding at June 30, 2021 amounted to $7,765,000. On November 30, 2006, the Agency issued $11,020,000 of Series 2006A Bonds bearing interest at 5.12-5.31% to fund low and moderate income housing of benefit to the Agency's Los Medanos Redevelopment Project, to fund a reserve account, and to pay costs of issuance incurred in connection with issuance, sale and delivery of the Series 2006A RDA bonds. The bonds with interest payments made semi-annually on February 1 and August 1 each year commencing August 1, 2007 through August 1, 2036. Annual principal and interest payments on the bonds are expected to require less than 22% from these revenues. The total principal and interest remaining to be paid on the bonds is $11,601,808. For fiscal year 2020-2021, principal and interest paid were $715,092. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements to mature the Series 2006A Bonds outstanding at June 30, 2021, were as follows:

2006A RDA Housing Set-Aside Bonds

Year Ending June 30,	Principal	Interest	Total
2022	$ 310,000	$ 404,168	$ 714,168
2023	330,000	387,173	717,173
2024	345,000	369,248	714,248
2025	360,000	350,526	710,526
2026	380,000	330,875	710,875
2027-2031	2,240,000	1,318,989	3,558,989
2032-2036	2,675,000	645,954	3,320,954
2037	1,125,000	29,875	1,154,875
Total	$ 7,765,000	$ 3,836,808	$ 11,601,808

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

2014 Redevelopment Agency Tax Allocation Refunding Bonds

2014 Series Successor Agency to the Redevelopment Agency Subordinate Tax Allocation Refunding Bonds (2014 STAB Bonds) outstanding at June 30, 2021 amounted to $27,176,000. The 2014 STAB Bonds bear interest at rates between 4.0% and 5.0% with interest payments made semi-annually on February 1 and August 1. The 2014 STAB Bonds mature annually from 2016 to 2030 on August 1 in amounts ranging from $2,645,000 to $6,335,000. Proceeds from the 2014 STAB Bonds were used to refund $74,049,000 of the Agency's 2003A RDA Bonds, partially refund the 1999 RDA Bonds, and to pay costs of issuance incurred in connection with the issuance, sales and delivery of 2014 STAB Bonds. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 14% from these revenues. The total principal and interest remaining to be paid on the bonds is $32,502,120. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bond.

The annual debt service requirements to mature the Series 2014 Bonds outstanding at June 30, 2021 were as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 6,335,000	$ 1,199,875	$ 7,534,875
2023	3,045,000	965,375	4,010,375
2024	2,340,000	830,750	3,170,750
2025	2,450,000	711,000	3,161,000
2026	2,575,000	585,375	3,160,375
2027-2030	10,420,000	1,044,750	11,464,750
Total	$ 27,165,000	$ 5,337,125	$ 32,502,125

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

2016 Series A Housing Set Aside Successor Agency Tax Allocation Refunding Bonds

In February 2016, the Successor Agency issued 2016 Series A Set Aside Tax Allocation Refunding Bonds (2016A HSA Bonds) in the original principal amount of $13,845,000 and $26,690,000, respectively. The proceeds of the bonds were used to refund and defease all of the outstanding 2004 Series A Housing Set-Aside Redevelopment Agency Tax Allocation Bonds. The 2016 Series A Bonds bear interest rates between 1.323% and 3.984% with interest payments made semi-annually on February 1 and August 1 each year commencing August 1, 2016 through August 1, 2029. The Bonds are secured by an irrevocable pledge of the Pledged Tax Revenues to be derived from Los Medanos II and Los Medanos III subareas and an irrevocable pledge of certain moneys in the Redevelopment Property Tax Trust Fund.

The annual debt service requirements to mature the Series 2016A HSA Bonds outstanding at June 30, 2021, were as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 930,000	$ 375,005	$ 1,305,005
2023	955,000	344,324	1,299,324
2024	990,000	310,385	1,300,385
2025	1,030,000	273,652	1,303,652
2026	1,065,000	233,997	1,298,997
2027-2030	4,720,000	449,994	5,169,994
Total	$ 9,690,000	$ 1,987,357	$ 11,677,357

2016 Series A and B Subordinate Tax Allocation Refunding Bonds

In February 2016, the Successor Agency issued 2016 Series A and B Subordinate Tax Allocation Refunding Bonds in the original principal amount of $120,085,000 and $26,690,000, respectively. The Bonds bear an interest rate of 5.0% with interest payments made semi-annually on March 1 and September 1 each year commencing September 1, 2016 through September 1, 2029.

The 2016 Series A Bond proceeds were used to refund the outstanding balance of the 2004 Series A Redevelopment Agency Subordinate Tax Allocation Bonds in the amount of $101,195,000. The issuance of the Bond terminated the swap agreement in connection with the 2004 Series A Bond. The 2016 Series A Bond proceeds were also used to refund and defease a portion of the outstanding 2008 Series A Redevelopment Agency Subordinate Tax Allocation Refunding Bonds.

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

The annual debt service payments on the 2016 Series A Subordinate Tax Allocation Refunding Bonds outstanding at June 30, 2021, are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 6,175,000	$ 5,849,875	$ 12,024,875
2023	11,165,000	5,416,375	16,581,375
2024	12,565,000	4,823,125	17,388,125
2025	13,210,000	4,178,750	17,388,750
2026	13,890,000	3,501,250	17,391,250
2027-2030	63,080,000	6,505,000	69,585,000
Total	$ 120,085,000	$ 30,274,375	$ 150,359,375

With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The 2016 Series B Bond proceeds were used to refund the outstanding balance of the 2006 Series B Redevelopment Agency Subordinate Tax Allocation Bonds in the amount of $22,470,000 and also used to refund and defease a portion of the outstanding 2008 Series A Redevelopment Agency Subordinate Tax Allocation Refunding Bonds. The 2016 Series B Subordinate Tax Allocation Refunding Bonds were repaid in fiscal year 2018-2019.

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

2016 Series C Successor Agency Subordinate Tax Allocation Refunding Bonds

In June 2016, the Successor Agency issued 2016 Series C Tax Allocation Refunding Bonds in the original principal amount of $37,755,000. The proceeds of the bonds were used to refund all the outstanding balance of the 2006 Series C Redevelopment Agency Subordinate Tax Allocation Refunding Bonds. The 2016 Series C Bonds bear an interest rate of 5.0% with interest payments made semi-annually on March 1 and September 1 each year commencing on September 1, 2016 through September 1, 2021. The Bonds are secured by an irrevocable pledge of the Subordinate Pledged Tax Revenues to be derived from the Project Area and an irrevocable pledge of all the moneys in the Redevelopment Property Tax Trust Fund.

The annual debt service requirements on the 2016 Series C Successor Agency Subordinate Tax Allocation Refunding Bonds outstanding as of June 30, 2021 are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	$ 6,325,000	$ 158,125	$ 6,483,125
Total	$ 6,325,000	$ 158,125	$ 6,483,125

With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The bond covenants for the Successor Agency Tax Allocation Bonds contain events of default that require the revenue of the Successor Agency to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the Successor Agency to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the Successor Agency; or if any court or competent jurisdiction shall assume custody or control of the Successor Agency. The covenants also contain a subjective acceleration clause that allows the trustees or holders, who hold the majority of the aggregate principal amount of the notes, to accelerate payment of the entire principal amount outstanding and interest accrued to become immediately due if they determine that a material adverse change occurs.

D. Commitments and Contingencies

The activities of the former Redevelopment Agency and the Successor Agency are subject to further examination by the State of California and the amounts, if any, of transfers or expenditures may be disallowed. The State Controller's Office conducted a review of propriety of asset transfers between the former Redevelopment Agency or the Successor agency and any public agency that occurred on or after January 1, 2011.

NOTE 15 – SUBSEQUENT EVENT

A. Reduction of CalPERS Discount Rate

In July 2021, CalPERS reported a preliminary 21.3% net return on investments for the 12-month period that ended June 30, 2021. Under the Funding Risk Mitigation Policy, approved by the CalPERS Board of Administration in 2015, the 21.3% net return will trigger a reduction in the discount rate used to calculate employer and Public Employees' Pension Reform Act (PEPRA) member contributions. The Funding Risk Mitigation Policy seeks to reduce CalPERS funding risk over time, in which CalPERS investment performance that significantly outperforms the discount rate will trigger adjustments to the discount rate, expected investment return, and strategic asset allocation targets. This is the first time it has been triggered. The discount rate, or assumed rate of return, will drop to 6.8%, from its current level of 7.0%.

Based on these preliminary fiscal year returns, the CalPERS has announced the funded status of the overall Public Employees Retirement Fund (PERF) is an estimated 82%. This estimate is based on a 7.0% discount rate. Under the new 6.8% discount rate, however, CalPERS indicated the funded status of the overall PERF drops to 80%. This is because existing assets are assumed to grow at a slightly slower rate annually into the future. As intended under the Funding Risk Mitigation Policy, the lower discount rate increases the likelihood that CalPERS can reach its target over the longer term. The CalPERS Board of Administration will continue to review the discount rate through its Asset Liability Management process during the rest of the calendar year.

CalPERS' final fiscal year 2021 investment performance will be calculated based on audited figures and will be reflected in contribution levels for contracting cities, counties, and special districts in fiscal year 2024.



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

REQUIRED

SUPPLEMENTARY

INFORMATION



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

1. BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Public hearings are conducted at the City to obtain public comments. The City Council annually adopts the budget for the ensuing fiscal year prior to July 1st.

2. Budgets for the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds are adopted on a basis consistent with GAAP.

3. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2021, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.

4. Budgeted revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year which were contingent upon new or additional revenue sources and re-appropriated amounts for prior year encumbrances. The City Manager must approve adjustments to departmental budgets; however, management may amend the budgeted amounts within departmental expenditure classifications.

5. Appropriations lapse at the end of the fiscal year and then are re-budgeted for the coming year. Beginning with the FY 2014-2015 budget, capital project appropriations continue appropriations until the project is completed.

1. BUDGETS AND BUDGETARY ACCOUNTING (Continued)

Under encumbrance accounting, purchase orders, contracts, and other commitments for expenditures are recorded to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary accounting. Since encumbrances do not yet constitute expenditures or liabilities, encumbrances outstanding at year-end are reported as reservations of fund balances.

The following funds had expenditures in excess of appropriation:

Housing Authority (Section 8) Special Revenue Fund	$	4,310,011	(a)
San Marco CFD 2004-1 Special Revenue Fund		105	(b)
Public Safety CFD 2005-1 Special Revenue Fund		1,542	(b)
Railroad Avenue Specific Area Plan Special Revenue Fund		17,216	(c)
Project Amenities Management Special Revenue Fund		1,481	(b)
Fire District CFD 2017-01 Special Revenue Fund		1,161	(b)
Tuscany CFD 2021-1 Special Revenue Fund		6,515	(d)

(a) The excess was due to recognizing port in expenses to ensure proper account of the City's Portability program but not adjusted in the budget. Revenue is also recognized in fiscal year 2021.
(b) The excess was due to the underbudget of CFD's administrative fees.
(c) The excess was due to the interest accrual on the interfund loan from the Regional Transportation Mitigation Fund to fund the Bart Pittsburg Center Station construction. One-time special tax revenues from CFD 2014-1 over several years will pay back the interfund loan.
(d) The excess is due to a new fund was set up to provide funding to help the developer finance the cost of design and construction of the Tuscany Meadows subdivision during the fiscal year 2021.

City of Pittsburg
General Fund
Schedule of Revenues and Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property tax	$ 4,193,834	$ 4,257,104	$ 4,455,736	$ 198,632
Sales tax	9,854,032	15,610,000	20,565,598	4,955,598
Franchise tax	3,638,028	4,787,098	5,409,271	622,173
Other taxes	6,635,712	1,342,499	1,622,076	279,577
Intergovernmental revenues	3,823,503	9,538,470	10,516,180	977,710
Permits, licenses, and fees	2,411,092	1,309,570	1,863,848	554,278
Fines and forfeitures	478,075	344,200	454,806	110,606
Service fees	2,433,036	4,190,048	3,909,911	(280,137)
Use of money and property	490,713	239,075	71,131	(167,944)
Other revenues	1,949,761	3,011,688	2,042,514	(969,174)
Total revenues	35,907,786	44,629,752	50,911,071	6,281,319
EXPENDITURES:				
Current:				
General government	1,249,169	4,787,947	3,216,847	1,571,100
City Council	104,581	104,581	96,800	7,781
City Manager and City Clerk	659,428	659,428	601,456	57,972
City Attorney	352,705	352,705	246,608	106,097
Human resources	1,097,427	1,153,273	1,160,646	(7,373)
Finance and services	1,384,255	1,384,505	1,350,344	34,161
Community development and services	6,141,829	6,909,737	6,114,210	795,527
Public safety	27,462,040	28,723,561	28,165,006	558,555
Public works - administration	83,476	91,476	91,505	(29)
Public works - streets	3,671,936	3,060,179	2,435,204	624,975
Public works - parks	161,576	161,576	190,673	(29,097)
Total expenditures	42,368,422	47,388,968	43,669,299	3,719,669
OTHER FINANCING SOURCES (USES)				
Transfers in	5,688,370	5,693,443	5,300,653	(392,790)
Transfers (out)	(1,644,200)	(2,344,200)	(2,179,850)	164,350
Total other financing sources (uses)	4,044,170	3,349,243	3,120,803	(228,440)
NET CHANGE IN FUND BALANCE	$ (2,416,466)	$ 590,027	10,362,575	$ 9,772,548
FUND BALANCE:				
Beginning of year			24,150,585	
End of year			$ 34,513,160	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Housing Authority (Section 8) - Special Revenue Fund

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Intergovernmental revenues	$ 17,004,734	$ 17,004,734	$ 21,184,246	$ 4,179,512
Service fee	1,464,342	1,464,342	1,132,209	(332,133)
Other revenues	114,235	114,235	340,851	226,616
Total revenues	18,583,311	18,583,311	22,657,306	4,073,995
EXPENDITURES:				
Current:				
Community development and services	18,388,168	18,588,198	22,898,209	(4,310,011)
Total expenditures	18,388,168	18,588,198	22,898,209	(4,310,011)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(18,680)	(18,680)	(43,680)	25,000
Total other financing sources (uses)	(18,680)	(18,680)	(43,680)	25,000
NET CHANGE IN FUND BALANCE	$ 176,463	$ (23,567)	(284,583)	$ (261,016)
FUND BALANCE:				
Beginning of year			569,029	
End of year			$ 284,446	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Successor Agency Housing Special Revenue Fund

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Service fees	$ 7,500	$ 7,900	$ 9,415	$ 1,515
Use of money and property	34,312	54,388	32,873	(21,515)
Other revenues	169,505	4,169,028	4,220,780	51,752
Total revenues	211,317	4,231,316	4,263,068	31,752
EXPENDITURES:				
Current:				
Community development and services	389,893	1,167,141	1,099,228	67,913
Total expenditures	389,893	1,167,141	1,099,228	67,913
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(562)	(562)	(562)	-
Total other financing sources (uses)	(562)	(562)	(562)	-
NET CHANGE IN FUND BALANCE	$ (179,138)	$ 3,063,613	3,163,278	$ 99,665
FUND BALANCE:				
Beginning of year			3,671,400	
End of year			$ 6,834,678	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Miscellaneous Grants Special Revenue Fund

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Intergovernmental revenues	$ -	$ 887,277	$ 262,256	$ (625,021)
Use of money and property	-	3,000	852	(2,148)
Other revenues	-	241,475	40,608	(200,867)
Total revenues	-	1,131,752	303,716	(828,036)
EXPENDITURES:				
Current:				
Community development and services	389,893	-	67,385	(67,385)
Public safety	389,893	1,167,141	112,701	1,054,440
Total expenditures	389,893	1,167,141	180,086	1,054,440
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	(528,126)	(130,797)	397,329
Total other financing sources (uses)	-	(528,126)	(130,797)	397,329
NET CHANGE IN FUND BALANCE	$ (389,893)	$ (563,515)	(7,167)	$ (556,348)
FUND BALANCE:				
Beginning of year			$65,344	
End of year			$ 58,177	

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CITY OF PITTSBURG, AGENT MULTIPLE EMPLOYER PENSION PLAN
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
As of fiscal year ending June 30, 2021
Last 10 Years*

	Miscellaneous Plan						
Measurement Date	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Total Pension Liability							
Service Cost	$ 1,857,954	$ 1,843,426	$ 1,885,618	$ 2,185,281	$ 2,232,196	$ 2,288,787	$ 2,353,997
Interest on total pension liability	5,258,464	5,559,084	5,954,324	6,187,235	6,453,806	7,017,326	7,496,928
Differences between expected and actual experience	-	(227,056)	696,901	(1,930,694)	1,226,287	2,711,217	1,434,791
Changes in assumptions	-	(1,494,012)	-	5,646,863	(2,707,757)	-	-
Changes in benefits	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(2,752,016)	(2,914,360)	(2,993,564)	(3,017,394)	(3,355,097)	(3,733,114)	(4,398,489)
Net change in total pension liability	4,364,402	2,767,082	5,543,279	9,071,291	3,849,435	8,284,216	6,887,227
Total pension liability - beginning	70,559,887	74,924,289	77,691,371	83,234,650	92,305,941	96,155,376	104,439,592
Total pension liability - ending (a)	$ 74,924,289	$ 77,691,371	$ 83,234,650	$ 92,305,941	$ 96,155,376	$ 104,439,592	$ 111,326,819
Plan fiduciary net position							
Contributions - employer	$ 1,519,402	$ 1,631,437	$ 1,875,971	$ 2,156,429	$ 2,157,639	$ 2,465,718	$ 2,806,209
Contributions - employee	873,360	1,036,916	902,130	931,204	1,304,579	1,158,921	1,201,689
Net investment income	8,949,231	1,323,594	284,705	6,786,287	5,770,585	4,832,621	3,927,075
Administrative expense	-	(68,782)	(37,256)	(90,302)	(105,852)	(52,429)	(110,160)
Benefit payments, including refunds of employee contributions	(2,752,016)	(2,914,360)	(2,993,564)	(3,017,394)	(3,355,097)	(3,733,114)	(4,398,489)
Net Plan to Plan Resource Movement	-	-	-	-	(29,876)	-	-
Other Miscellaneous Income/ (Expense)	-	-	-	-	(201,014)	170	-
Net change in plan fiduciary net position	8,589,977	1,008,805	31,986	6,766,224	5,540,964	4,671,887	3,426,324
Plan fiduciary net position - beginning	51,531,626	60,121,603	61,130,408	61,162,394	67,928,618	73,469,582	78,141,469
Plan fiduciary net position - ending (b)	$ 60,121,603	$ 61,130,408	$ 61,162,394	$ 67,928,618	$ 73,469,582	$ 78,141,469	$ 81,567,793
Net pension liability - ending (a)-(b)	$ 14,802,686	$ 16,560,963	$ 22,072,256	$ 24,377,323	$ 22,685,794	$ 26,298,123	$ 29,759,026
Plan fiduciary net position as a percentage of the total pension liability	80.24%	78.68%	73.48%	73.59%	76.41%	74.82%	73.27%
Covered payroll	$ 11,526,481	$ 11,958,650	$ 12,684,949	$ 13,415,686	$ 14,252,307	$ 16,955,330	$ 15,500,208
Net pension liability as percentage of covered payroll	128.42%	138.49%	174.00%	181.71%	159.17%	155.10%	191.99%

Notes to Schedule:

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (aka. Golden Handshakes).

Changes in assumptions: GASB 68, paragraph 68 states that the long term expected rate of return should be determined net of pension plan investment expense, but without reduction for pension plan administrative expense. In 2018 and 2019, there were no changes. In 2017, the accounting discount rate reduced from 7.65% to 7.15%. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts were based on the 7.5% discount rate. All other assumptions for the 30, 2014 measurement date were the same as those used for the June 30, 2015 and 2016 measurement dates.

* Fiscal year 2015 was the 1st year of implementation, therefore only six years are shown.

CITY OF PITTSBURG, AGENT MULTIPLE EMPLOYER PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
As of fiscal year ending June 30, 2021
Last 10 Years*

	Miscellaneous Plan						
Fiscal Year	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Actuarially determined contribution	$ 2,464,100	$ 2,745,066	$ 3,094,191	$ 2,253,288	$ 2,333,907	$ 2,806,210	$ 3,072,547
Contributions in relation to the actuarially determined contributions	(2,464,100)	(2,745,066)	(3,094,191)	(2,253,288)	(2,333,907)	(2,806,210)	(3,072,547)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 11,958,650	$ 12,684,949	$ 13,415,686	$ 14,252,307	$ 16,955,330	$ 15,500,208	$ 16,948,240
Contributions as a percentage of covered payroll	20.61%	21.64%	23.06%	15.81%	13.77%	18.10%	18.13%

Notes to Schedule

Valuation date:	June 30, 2019
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry-Age Normal Cost Method
Amortization method	Level Percent of Payroll
Asset valuation method	Actuarial Value of Assets
Inflation	2.75% for 2015 to 2019, and 2.875% for 2020, and 2.50% for 2021
Salary increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment rate of return	7.50% for 2015 to 2018, 7.375% for 2019, 7.25% for 2020, and 7.00% for 2021, Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement age	The probabilities of Retirement are based on the CalPERS Experience Study.
Mortality	The probabilities of mortality are based on the CalPERS Experience Study. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale AA published by the Society of Actuaries for 2015 to 2018. For 2019, 2020 and 2021, pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

* Fiscal year 2015 was the 1st year of implementation, therefore only seven years are shown.

CITY OF PITTSBURG, A COST-SHARING MULTIPLE EMPLOYER DEFINED PENSION PLAN
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Years*

As of fiscal year ending June 30, 2021

	Safety Plan						
Measurement Date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020
Plan's Proportion of the Net Pension Liability/Asset	0.37777%	0.39815%	0.46609%	0.48116%	0.49472%	0.44506%	0.46340%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	$ 14,169,983	$ 16,405,587	$ 21,519,369	$ 25,094,362	$ 25,389,095	$ 27,782,901	$ 30,873,359
Plan's Covered Payroll	$ 12,627,215	$ 13,134,628	$ 14,209,375	$ 10,647,118	$ 10,804,084	$ 12,017,570	$ 10,485,001
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of it's Covered-Employee Payroll	112.22%	124.90%	151.44%	235.69%	235.00%	231.19%	294.45%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	81.42%	79.38%	74.91%	74.42%	75.93%	75.53%	75.53%
Plan's Proportionate Share of Aggregate Employer Contributions	$ 1,757,817	$ 2,148,293	$ 2,219,565	$ 2,518,889	$ 2,954,663	$ 3,357,057	$ 4,346,298

* Fiscal year 2014 was the 1st year of implementation, therefore only seven years are shown.

CITY OF PITTSBURG, A COST-SHARING DEFINED PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
As of fiscal year ending June 30, 2021
Last 10 Years*

	Safety Plan						
Fiscal Year Ended June 30	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	$ 2,924,602	$ 2,449,689	$ 2,573,034	$ 2,674,332	$ 2,771,970	$ 3,602,530	$ 3,943,074
Contributions in relation to the actuarially determined contributions	(2,924,602)	(2,449,689)	(2,573,034)	(2,674,332)	(2,771,970)	(3,602,530)	(3,943,074)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 13,134,628	$ 14,209,375	$ 10,647,118	$ 10,804,084	$ 12,017,570	$ 10,485,001	$ 12,076,801
Contributions as a percentage of covered payroll	22.27%	17.24%	24.17%	24.75%	23.07%	34.36%	32.65%
Notes to Schedule							
Valuation date:	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
Methods and assumptions used to determine contribution rates:							
Actuarial cost method	Entry age						
Amortization method	Level percentage of payroll, closed						
Remaining amortization period	30 years						
Asset valuation method	5-year smoothed market						
Inflation	2.50%						
Salary increases	Varies by Entry Age and Service						
Investment rate of return	7.15% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.						
Retirement age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.						
Mortality	The probabilities of mortality are derived from CalPERS' Membership Data for all Funds based on CalPERS' specific data from a 2017 CalPERS Experience Study. The table includes 20 years of mortality improvements using the Society of Actuaries Scale BB.						

* Fiscal year 2015 was the 1st year of implementation, therefore only seven years are shown.

CITY OF PITTSBURG, AGENT MULTIPLE EMPLOYER OPEB PLAN
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
As of fiscal year ending June 30, 2021
Last 10 Years*

Measurement Date	**2017**	**2018**	**2019**	**2020**
Total OPEB Liability				
Service Cost	$ 807,000	$ 830,803	$ 801,058	$ 647,726
Interest	2,558,000	2,680,717	2,806,423	2,720,705
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	-	-	(2,201,658)	-
Changes of assumptions	-	-	(933,286)	(710,108)
Benefit payments	(1,625,000)	(1,536,951)	(1,701,943)	(1,476,338)
Net change in total OPEB liability	1,740,000	1,974,569	(1,229,406)	1,181,985
Total OPEB liability - beginning	37,912,000	39,652,000	41,626,569	40,397,163
Total OPEB liability - ending (a)	$ 39,652,000	$ 41,626,569	$ 40,397,163	$ 41,579,148
Plan fiduciary net position				
Contributions - employer	$ 2,106,000	$ 2,021,796	$ 2,201,943	$ 1,976,338
Contributions - employee	-	-	-	-
Net investment income	295,000	270,566	277,898	172,535
Administrative expense	(1,000)	(6,320)	(919)	(2,459)
Benefit payments	(1,625,000)	(1,536,951)	(1,701,943)	(1,476,338)
Net change in plan fiduciary net position	775,000	749,091	776,979	670,076
Plan fiduciary net position - beginning	2,585,000	3,359,734	4,108,825	4,885,804
Plan fiduciary net position - ending (b)	$ 3,360,000	$ 4,108,825	$ 4,885,804	$ 5,555,880
Net OPEB liability - ending (a)-(b)	$ 36,292,000	$ 37,517,744	$ 35,511,359	$ 36,023,268
Plan fiduciary net position as a percentage of the total OPEB liability	8.47%	9.87%	12.09%	13.36%
Covered-employee payroll	$ 15,921,000	$ 16,568,668	$ 14,845,791	$ 14,623,265
Net OPEB liability as a percentage of covered-employee payroll	227.95%	226.44%	239.20%	246.34%

* Fiscal year 2017 was the first year of implementation, therefore only four years are shown.

CITY OF PITTSBURG, AGENT MULTIPLE EMPLOYER OPEB PLAN
SCHEDULE OF CONTRIBUTIONS
As of fiscal year ending June 30, 2021*
Last 10 Years*

Fiscal Year Ended June 30,	**2018**	**2019**	**2020**	**2021**
Actuarially determined contribution	$ 3,938,000	$ 4,096,000	$ 4,270,000	$ 3,911,000
Contributions in relation to the actuarially determined contribution	(2,021,796)	(2,201,943)	(2,038,794)	(726,643)
Contribution deficiency (excess)	$ 1,916,204	$ 1,894,057	$ 2,231,206	$ 3,184,357
Covered-employee payroll	$ 16,568,668	$ 14,845,791	$ 14,623,265	$ 13,712,707
Contributions as a percentage of covered-employee payroll	23.77%	27.59%	29.20%	28.52%
Notes to Schedule				
Valuation date:	June 30, 2017	June 30, 2017	June 30, 2019	June 30, 2019
Methods and assumptions used to determine contribution rates:				
Actuarial cost method	Entry age normal			Entry age normal
Amortization method	Level percent of payroll			Level percent of payroll
	23 years remaining as of June 30, 2020			21 years remaining as of June 30, 2021
Asset valuation method	Investment gains and losses spread over 5-year rolling period			Investment gains and losses spread over 5-year rolling period
Inflation	2.75%			2.75%
Salary increases	Varies by Entry Age and Service			Varies by Entry Age and Service
Payroll Growth	3.00%			3.00%
Discount rate	6.75%			6.75%
Retirement age	The probabilities of Retirement are based on CalPERS Experience Study for the period from 1997 to 2015.			The probabilities of Retirement are based on CalPERS Experience Study for the period from 1997 to 2015.
Mortality	Society of Actuaries Scale MP-17.			Mortality projected fully generational with Society of Actuaries Scale MP-19.

* Fiscal year 2018 was the first year of implementation, therefore only four years are shown.

SUPPLEMENTARY

INFORMATION



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

Small Cities Grants Fund – This fund was established to account for direct grants received for housing and rental rehabilitation programs, which are program income and used to supplement housing rehabilitation costs.

Gas Tax Fund – This fund represents the Highway Users Tax apportionments from the State of California for street and road purposes under the provisions of Streets and Highways Code Maintenance.

Measure J Tax Fund – This fund receives 18% of the collected half-cent sales tax, which is based on the population and road mileage, to fund regional transportation and transit related projects.

Lighting & Landscape Fund – Receipts of the assessments from residential and commercial properties are used by this fund to provide maintenance of street lighting, street trees, landscape, curbs, gutters and sidewalks within the City.

Lighting & Landscape Oak Hills Fund – Receipts of the special assessments from residential and commercial properties, in the Oak Hill area, are used by this fund to provide maintenance of street lighting, street trees, landscape, curbs, gutters and sidewalks.

Assets Seizure Fund – This fund was established to administer the seized assets from criminal activities.

Marina Vista Field Replacement Fund – This fund accounts for the collection of rents (maximum of $60,000 annually) from the Athletic Fields rentals of the Marina Vista School fields as set forth in the Construction and Use Agreement for the contingent turf replacement of the fields.

Local Law Enforcement Block Grant Fund – This fund accounts for the funds provided by Department of Justice to supplement local crime prevention and public safety efforts.

Southwest Pittsburg GHAD II Fund – Southwest Pittsburg Geological Hazard Abatement fund was created to account for the maintenance district of which responsibilities are restricted to mitigation/abatement of geologic landslide and erosion hazards. The fund receives revenues from assessments levied on the properties located on the hillside areas for its operation costs.

Southwest Pittsburg GHAD II Administrative Fund – This fund was created to facilitate the administration (salaries and fringe benefits) for the Southwest Pittsburg GHAD II Fund.

NON-MAJOR GOVERNMENTAL FUNDS, Continued

SPECIAL REVENUE FUNDS, Continued:

Storm Water Utility (NPDES) Fund – This fund accounts for property assessments collected by the County of Contra Costa on behalf of the City to provide funding for National Pollutant Discharge Elimination System (NPDES) and general drainage maintenance activities within the Pittsburg Storm Water Utility Area to reduce pollutants.

HUD Community Development Block Grant Fund – Receives annual entitlement from Department of HUD to finance public services, housing activities, economic development projects, public facility projects, program planning and administration.

NSP Neighborhood Stabilization Program Fund – This fund accounts for the funding by the California Department of Housing and Community Development for purchases and redevelopment of foreclosed homes, the purchase and rehabilitation of abandoned or foreclosed homes, the demolition of blighted structures, and the redevelopment of demolished or vacant property within the City.

CalHome Program Fund – This fund was established to account for the funding from the California Department of Housing and Community Development for mortgage assistance and owner-occupied housing rehabilitation loans.

California Energy Conservation Program – This fund is funded by the Energy Efficiency and Conservation Block Grant to enable the City to pursue the City's LED streetlight retrofit, to develop and implement projects to improve energy efficiency and reduce energy use and fossil fuel emissions within the City.

San Marco CFD 2004-01 Fund – The receipts of this fund provide funding for the increased demand of police services in the San Marco subdivision of the Community Facilities District.

Solid Waste Fund – This fund has been established to finance City activities associated with AB 939 compliance such as the annual reporting of recycling programs, hazardous waste collection and the coordination of public education programs. In addition this fund finances the City's solid waste facility Local Enforcement Program (LEA) for permitting, inspection and enforcement of State regulations governing operational, closed and illegal landfills and refuse processing facilities. These revenues will also provide for litter abatement and other similar services to mitigate the impact on the City of Pittsburg associated with hosting the Material Recovery and Transfer Station (MRTS) which services the entire region. The Solid Waste Fund revenues are generated by a $1.50 surcharge on each ton of solid waste received at the Material Recovery and Transfer Station.

Vista Del Mar CFD 2005-2 Fund – The receipts of the fund provided funding for financing increasing demands for police services in and for the Vista Del Mar CFD 2005-2.

Public Safety Services CFD 2005-1 Fund – The receipts of this fund provide funding for financing increasing demands for public safety services within this Community Facilities District.

NON-MAJOR GOVERNMENTAL FUNDS, Continued

SPECIAL REVENUE FUNDS, Continued:

Park Maintenance CFD 2007-1 Fund – The receipts of this fund provide funding for financing increasing demands for park maintenance services within this Community Facilities District.

Cops Hiring Recovery Fund – This fund was established to account for Grants received from law enforcement agencies to create and preserve jobs and to increase their community policing capacity and crime-prevention efforts.

Pittsburg Arts & Community Foundation – This fund was created for an independent non-profit corporation set up to increase, support and encourage art, literacy, education, economic development, affordable housing, and other community resources and programs to benefit the City of Pittsburg and its residents.

Hillview Jr. High Athletic Field – This fund was established to account for Grants received from Measure WW for financing, construction and joint use of an athletic field at Hillview Junior High School with Pittsburg Unified School District.

Public, Education and Government Fees (PEG) – The City is given authority from California Public Utilities Code to levy State Franchise Holder. The revenue of this fund supports Public Education and Government (PEG) channel facilities.

Railroad Avenue Specific Area Plan – This fund was created to account for the funding and financing of facilities according to the Railroad Avenue Specific Plan.

Project Amenities Management Fund – This fund was created to account for continuous maintenance and management of various project amenities for Greystone Place such as stormwater treatment facilities, sanitary sewer lift stations, emergency vehicle access and gates.

Fire District CFD 2017-01 Fund – The funds will be used solely for supplemental services and facilities of the Fire District that benefited City of Pittsburg.

Golf Course Fund – This fund was established to account for revenues and expenditures associated with providing golfing facilities and services to our community.

US EPA Grants Fund – This fund was established to account for direct grants to enhance public enjoyment, reduce existing environmental contamination of the waterfront and opportunities for economic development in alignment with the General and Trust Lands Use Plans.

NON-MAJOR GOVERNMENTAL FUNDS, Continued

SPECIAL REVENUE FUNDS, Continued:

Marina Dredging & Infrastructure Improvement Fund – This fund was established to account for funding to help facilitate the dredging project, various infrastructure improvements and modernize Marina operations.

Tuscany Meadows CFD 2021-1 Fund – This fund was established to provide funding to help the developer finance the cost of design and construction of public improvements relating to the development of the Tuscany Meadows subdivision. The special tax for the CFD may be used to pay the debt service on bonds issued by the City in the future to finance the facilities or may be used to pay for the facilities on a pay-as-you-go basis, without the issuance of bonds.

DEBT SERVICE FUND:

Pension Obligations Fund accounts for the accumulation of resources for payment of principal, interest and related costs of the Pension Obligation Bonds long-term debt and for payments to the Contra Costa County Employees' Retirement Association for unfunded accrued pension obligations.

CAPITAL PROJECTS FUNDS:

Inclusionary Housing Fund – This fund was established to account for fees paid by developers in the form of "in-lieu" fees that would be used for the construction of affordable housing.

Traffic Impact Fair Share Fund – This fund was established to account for developer fees as a condition of development to mitigate future traffic impacts.

Kirker Creek Drainage Fees Fund – This fund was established to account for the drainage fees collected from developers to finance drainage improvement projects.

Traffic Mitigation Fund – Fees collected from developers are used by this fund to finance the capital improvement projects that mitigate the traffic impact.

Capital Improvement Fund – This fund accounts for most capital improvement projects in the City that have various funding sources. Revenues received from various sources are used for related project costs.

Park Dedication Fund – This fund was established to account for the fees collected from developers and used for design, development, construction of new park projects and the rehabilitation of existing parks.

NON-MAJOR GOVERNMENTAL FUNDS, Continued

CAPITAL PROJECTS FUNDS, Continued:

Regional Traffic Mitigation Fund – This fund was established to account for the fees collected from new development in the City to support the regional transportation improvement projects through the Pittsburg Regional Transportation Development Impact Mitigation Fee ("PRTDIM") program.

Infrastructure Repair & Replacement – This fund was established to fund repair and capital improvement projects related to the City's infrastructure including streets, roads, parking lots and storm drains.

Community Capital Improvement – This fund was established to administer the Cooperative and Repayment Agreement between the Redevelopment Agency of the City of Pittsburg and the City of Pittsburg. The goal of this agreement is to utilize the City personnel and facilities more effectively to control the Agency's planning and administrative costs for redevelopment activities in the established redevelopment project areas.

Bailey Road Maintenance – This fund was created to account for surcharges collected from Keller Canyon Landfill Company to fund repair and maintenance of Bailey Road from Highway 4 to the Landfill entrance.

Gas Tax – Road Maintenance and Rehabilitation – This fund was created to account for SB1 Transportation funding.

Regional Freeway Security Fee – This fund was created for the new Freeway Security Network and provide staff support (City Engineering, Public Works, and the Police Department) to implement the process.

City of Pittsburg
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021

	Special Revenue			
	Small Cities Grants	Gas Tax	Measure J Tax Fund	Lighting & Landscape
ASSETS				
Cash and investments	$ 20,243	$ 359,298	$ 438,437	$ 635,612
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	-	889,023	35,091	-
Loans and notes	1,392,914	-	-	-
Inventory	-	-	-	37,158
Prepaid items	-	-	-	3,662
Advance to other funds	-	-	-	-
Total Assets	$ 1,413,157	$ 1,248,321	$ 473,528	$ 676,432
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ 2,932	$ 58,743	$ 73,938
Refundable deposits	-	-	-	-
Loans payable - current	15,000	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	-
Total Liabilities	15,000	2,932	58,743	73,938
Deferred inflows of resources:				
Unavailable revenue	1,377,914	-	-	-
Total Deferred Inflows of Resources	1,377,914	-	-	-
Fund Balances:				
Nonspendable	-	-	-	40,820
Restricted	20,243	1,245,389	414,785	561,674
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (deficit)	20,243	1,245,389	414,785	602,494
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,413,157	$ 1,248,321	$ 473,528	$ 676,432

Special Revenue					
Lighting & Landscape Oak Hills	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant	Southwest Pittsburg GHAD II	Southwest Pittsburg GHAD II Admin
$ 71,659	$ 402,488	$ 312,630	$ 48,352	$ 4,611,373	$ 106,567
-	-	-	-	-	-
-	-	-	5,777	-	-
-	-	-	-	-	-
-	14,574	-	26,453	-	-
-	-	-	-	-	-
-	-	-	-	300,000	-
$ 71,659	$ 417,062	$ 312,630	$ 80,582	$ 4,911,373	$ 106,567
$ 876	$ -	$ -	$ 7,565	$ 1,388	$ -
-	338,328	-	-	1,220	-
-	-	-	-	-	-
-	-	-	42,374	-	-
-	-	-	4,610	-	-
-	-	-	-	-	-
876	338,328	-	54,549	2,608	-
-	-	-	-	-	-
-	-	-	-	-	-
-	14,574	-	26,453	-	-
70,783	-	-	-	4,908,765	106,567
-	-	312,630	-	-	-
-	64,160	-	-	-	-
-	-	-	(420)	-	-
70,783	78,734	312,630	26,033	4,908,765	106,567
$ 71,659	$ 417,062	$ 312,630	$ 80,582	$ 4,911,373	$ 106,567

(Continued)

City of Pittsburg
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021

	Special Revenue			
	Storm Water Utility (NPDES)	HUD Community Development Block Grant	NSP Neighborhood Stabilization Program	CalHome Program
ASSETS				
Cash and investments	$ 589,197	$ 2,020	$ 47,396	$ 331,080
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	-	461,671	-	-
Loans and notes	-	253,844	1,994,016	329,826
Inventory	1,829	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
Total Assets	$ 591,026	$ 717,535	$ 2,041,412	$ 660,906
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 8,419	$ 336,827	$ -	$ -
Refundable deposits	-	-	-	-
Loans payable - current	-	106,813	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	142,535	-	-
Advance from other funds	-	-	-	-
Total liabilities	8,419	586,175	-	-
Deferred inflows of resources:				
Unavailable revenue	-	147,031	1,994,016	329,826
Total Deferred Inflows of Resources	-	147,031	1,994,016	329,826
Fund Balances:				
Nonspendable	1,829	-	-	-
Restricted	580,778	(15,671)	47,396	331,080
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficit)	582,607	(15,671)	47,396	331,080
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 591,026	$ 717,535	$ 2,041,412	$ 660,906

Special Revenue						
California Energy Conservation Program	San Marco CFD 2004-01	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety Services CFD 2005-1	Park Maintenance CFD 2007-1	Cops Hiring Recovery
$ 4	$ 104,651	$ 619,404	$ 36,565	$ 179,735	$ 151,049	$ -
-	-	-	-	-	-	-
-	-	180,333	-	-	31,906	21,486
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 4	$ 104,651	$ 799,737	$ 36,565	$ 179,735	$ 182,955	$ 21,486
$ -	$ -	$ 19,498	$ -	$ -	$ 2,542	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	21,486
-	-	-	-	-	-	-
-	-	19,498	-	-	2,542	21,486
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4	104,651	780,239	36,565	179,735	180,413	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4	104,651	780,239	36,565	179,735	180,413	-
$ 4	$ 104,651	$ 799,737	$ 36,565	$ 179,735	$ 182,955	$ 21,486

(Continued)

City of Pittsburg
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021

	Special Revenue			
	Pittsburg Arts & Community Foundation	Hillview Jr. High Athletic Field	Public, Education, and Government Fees (PEG)	Railroad Avenue Specific Area Plan
ASSETS				
Cash and investments	$ 90,153	$ 417,165	$ 946,993	$ -
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	268	-	38,489	-
Loans and notes	517,607	-	-	-
Inventory	172,073	-	-	-
Prepaid items	4,151	-	-	-
Advance to other funds	-	-	-	-
Total Assets	$ 784,252	$ 417,165	$ 985,482	$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 147	$ -	$ 3,200	$ -
Refundable deposits	24,700	-	-	-
Loans payable - current	-	-	-	-
Unearned revenue	106,393	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	3,093,125
Total Liabilities	131,240	-	3,200	3,093,125
Deferred inflows of resources:				
Unavailable revenue	517,607	-	-	-
Total Deferred Inflows of Resources	517,607	-	-	-
Fund Balances:				
Nonspendable	176,224	-	-	-
Restricted	113,587	-	-	-
Committed	-	417,165	982,282	-
Assigned	-	-	-	-
Unassigned	(154,406)	-	-	(3,093,125)
Total Fund Balances (deficit)	135,405	417,165	982,282	(3,093,125)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 784,252	$ 417,165	$ 985,482	$ -

Special Revenue						Debt Service
Project Amenities Management	Fire District CFD 2017-01	Golf Course	US EPA Grants	Marina Dredging & Infrastructure Improvement	Tuscany Meadows CFD 2021-1	Pension Obligations
$ 122,043	$ 19,413	$ 62	$3,319,249	$861,311	$54,686	$ 140,023
-	-	-	-	-	-	3,110,048
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 122,043	$ 19,413	$ 62	$ 3,319,249	$ 861,311	$ 54,686	$ 3,250,071
$ -	$ -	$ -	$4,256	$24,941	$6,201	$ -
11,015	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	657,276	-	-	-
-	-	-	-	-	-	-
-	-	375,000	-	-	-	-
11,015	-	375,000	661,532	24,941	6,201	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
111,028	19,413	-	2,657,717	836,370	48,485	3,250,071
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(374,938)	-	-	-	-
111,028	19,413	(374,938)	2,657,717	836,370	48,485	3,250,071
$ 122,043	$ 19,413	$ 62	$ 3,319,249	$ 861,311	$ 54,686	$ 3,250,071

(Continued)

City of Pittsburg
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021

	Capital Projects			
	Inclusionary Housing	Traffic Impact Fair Share	Kirker Creek Drainage Fees	Traffic Mitigation
ASSETS				
Cash and investments	$ 38,518	$ 522,701	$ 360,321	$ 3,769,522
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	-	-	-	136,756
Loans and notes	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	5,000
Advance to other funds	380,000	-	-	-
Total assets	$ 418,518	$ 522,701	$ 360,321	$ 3,911,278
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Refundable deposits	-	-	-	5,000
Loans payable - current	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	-
Total Liabilities	-	-	-	5,000
Deferred inflows of resources:				
Unavailable revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	5,000
Restricted	418,518	522,701	360,321	3,901,278
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (deficit)	418,518	522,701	360,321	3,906,278
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 418,518	$ 522,701	$ 360,321	$ 3,911,278

Capital Projects							
Capital Improvement	Park Dedication	Regional Traffic Mitigation	Infrastructure Repair & Replacement	Community Capital Improvement	Bailey Road Maintenance	Gas Tax-Road Maintenance & Rehabilitation	
$ 1,830,821	$ 2,747,525	$ 447,546	$ 29,606	$ 227,913	$ 1,592,961	$1,310,604	
-	-	-	-	-	-	-	
317,773	-	-	-	-	38,069	134,308	
-	-	-	-	-	-	-	
-	886	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	3,093,125	-	-	-	-	
$ 2,148,594	$ 2,748,411	$ 3,540,671	$ 29,606	$ 227,913	$ 1,631,030	$ 1,444,912	
$ 421,837	$ 41,248	$ -	$ -	$ 40,769	$ -	$160,613	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
421,837	41,248	-	-	40,769	-	160,613	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	886	-	-	-	-	-	
-	2,706,277	3,540,671	-	-	1,631,030	-	
1,726,757	-	-	29,606	187,144	-	1,284,299	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
1,726,757	2,707,163	3,540,671	29,606	187,144	1,631,030	1,284,299	
$ 2,148,594	$ 2,748,411	$ 3,540,671	$ 29,606	$ 227,913	$ 1,631,030	$ 1,444,912	

(Continued)

City of Pittsburg
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021

	Capital Projects	
	Regional Freeway Security Fee	Non-Major Governmental Funds
ASSETS		
Cash and investments	$ -	$ 27,916,896
Restricted cash and investments	-	3,110,048
Receivables:		
Accounts	-	2,290,950
Loans and notes	-	4,488,207
Inventory	-	252,973
Prepaid items	-	12,813
Advance to other funds	-	3,773,125
Total assets	$ -	$ 41,845,012
Liabilities:		
Accounts payable	$ -	$ 1,215,940
Refundable deposits	-	380,263
Loans payable - current	-	121,813
Unearned revenue	-	806,043
Due to other funds	158,127	326,758
Advance from other funds	-	3,468,125
Total Liabilities	158,127	6,318,942
Deferred inflows of resources:		
Unavailable revenue	-	4,366,394
Total Deferred Inflows of Resources	-	4,366,394
Fund Balances:		
Nonspendable	-	265,786
Restricted	-	29,670,863
Committed	-	4,939,883
Assigned	-	64,160
Unassigned	(158,127)	(3,781,016)
Total Fund Balances (deficit)	(158,127)	31,159,676
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ -	$ 41,845,012



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

City of Pittsburg
Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2021

	Special Revenue			
	Small Cities Grants	Gas Tax	Measure J Tax Fund	Lighting & Landscape
REVENUES:				
Franchise tax	$ -	$ -	$ -	$ -
Other taxes	-	1,670,338	902,646	-
Intergovernmental revenues	-	860,204	134,533	-
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	2,920,344
Service fees	-	-	-	-
Use of money and property	(100)	7,866	(702)	(335)
Other revenues	22,149	-	11,125	4,014
Total Revenues	22,049	2,538,408	1,047,602	2,924,023
EXPENDITURES:				
Current:				
General government	-	-	-	73,645
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	5,764	-	310,843	-
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	1,271,083	-	3,903,287
Capital outlay and improvements	-	-	102,883	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	5,764	1,271,083	413,726	3,976,932
REVENUES OVER (UNDER) EXPENDITURES	16,285	1,267,325	633,876	(1,052,909)
OTHER FINANCING SOURCES (USES):				
Transfers in	4,234	65,000	300,000	1,332,273
Transfers out	(2,020)	(1,285,971)	(765,332)	(109,750)
Total other financing sources (uses)	2,214	(1,220,971)	(465,332)	1,222,523
Net change in fund balances	18,499	46,354	168,544	169,614
FUND BALANCES (DEFICITS):				
Beginning of Year	1,744	1,199,035	246,241	432,880
End of Year	$ 20,243	$ 1,245,389	$ 414,785	$ 602,494

Special Revenue					
Lighting & Landscape Oak Hills	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant	Southwest Pittsburg GHAD II	Southwest Pittsburg GHAD II Admin
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	977,636	-
-	-	-	98,816	-	-
-	-	-	-	-	-
-	31,272	-	-	-	-
33,959	-	-	-	-	-
-	-	-	-	-	-
174	24	(950)	114	11,964	237
-	-	-	-	-	-
34,133	31,296	(950)	98,930	989,600	237
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	31,843	154,119	416,945
-	4,226	-	67,506	-	-
-	-	-	-	-	-
23,351	-	850	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
23,351	4,226	850	99,349	154,119	416,945
10,782	27,070	(1,800)	(419)	835,481	(416,708)
663	-	-	-	-	420,781
-	-	-	-	(420,781)	(4,073)
663	-	-	-	(420,781)	416,708
11,445	27,070	(1,800)	(419)	414,700	-
59,338	51,664	314,430	26,452	4,494,065	$106,567
$ 70,783	$ 78,734	$ 312,630	$ 26,033	$ 4,908,765	$ 106,567

(Continued)

City of Pittsburg
Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2021

	Special Revenue			
	Storm Water Utility (NPDES)	HUD Community Development Block Grant	NSP Neighborhood Stabilization Program	CalHome Program
REVENUES:				
Franchise tax	$ -	$ -	$ -	$ -
Other taxes	971,575	-	-	-
Intergovernmental revenues	-	801,714	-	-
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Service fees	-	-	-	-
Use of money and property	(755)	560	158	30,529
Other revenues	9,944	23,691	-	97,680
Total Revenues	980,764	825,965	158	128,209
EXPENDITURES:				
Current:				
General government	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	412,495	-	-
Public safety	-	397,714	-	-
Public works - administration	412,126	-	-	-
Public works - streets	664,685	-	-	-
Capital outlay and improvements	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,076,811	810,209	-	-
REVENUES OVER (UNDER) EXPENDITURES	(96,047)	15,756	158	128,209
OTHER FINANCING SOURCES (USES):				
Transfers in	-	2,020	-	-
Transfers out	(63,918)	(157,779)	-	-
Total other financing sources (uses)	(63,918)	(155,759)	-	-
Net change in fund balances	(159,965)	(140,003)	158	128,209
FUND BALANCES (DEFICITS):				
Beginning of Year	742,572	124,332	47,238	202,871
End of Year	$ 582,607	$ (15,671)	$ 47,396	$ 331,080

Special Revenue							
California Energy Conservation Program	San Marco CFD 2004-01	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety Services CFD 2005-1	Park Maintenance CFD 2007-1	Cops Hiring Recovery	
$ -	$ -	$ -	$ -	$ -	$ -	$ -	
-	-	-	367,490	719,691	-	-	
-	-	-	-	-	31,906	21,486	
-	-	699,226	-	-	-	-	
-	-	-	-	-	-	-	
-	1,090,884	-	-	-	114,040	-	
-	-	3,147	-	-	-	-	
-	(147)	319	(73)	(387)	120	-	
-	-	-	-	-	-	-	
-	1,090,737	702,692	367,417	719,304	146,066	21,486	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	217,125	-	-	-	-	
-	4,865	197,275	690	828	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	57,883	-	
-	-	-	-	-	-	-	
70,715	-	-	-	-	-	-	
3,782	5,240	-	-	4,714	5,227	-	
74,497	10,105	414,400	690	5,542	63,110	-	
(74,497)	1,080,632	288,292	366,727	713,762	82,956	21,486	
74,497	-	-	-	-	-	-	
-	(1,050,000)	(4,213)	(340,000)	(640,000)	(702)	(21,486)	
74,497	(1,050,000)	(4,213)	(340,000)	(640,000)	(702)	(21,486)	
-	30,632	284,079	26,727	73,762	82,254	-	
4	74,019	496,160	9,838	105,973	98,159	-	
$ 4	$ 104,651	$ 780,239	$ 36,565	$ 179,735	$ 180,413	$ -	

(Continued)

City of Pittsburg
Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2021

	Special Revenue			
	Pittsburg Arts & Community Foundation	Hillview Jr. High Athletic Field	Public, Education and Government Fees (PEG)	Railroad Avenue Specific Area Plan
REVENUES:				
Franchise tax	$ -	$ -	$ 150,064	$ -
Other taxes	-	-	-	-
Intergovernmental revenues	77,800	-	-	-
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	277	-	-	-
Special assessments	-	-	-	351,419
Service fees	1,394	-	-	-
Use of money and property	15,138	1,391	2,574	(841)
Other revenues	343,493	-	-	-
Total Revenues	438,102	1,391	152,638	350,578
EXPENDITURES:				
Current:				
General government	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	478,960	-	20,654	-
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	845	-	-
Capital outlay and improvements	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	19,216
Total Expenditures	478,960	845	20,654	19,216
REVENUES OVER (UNDER) EXPENDITURES	(40,858)	546	131,984	331,362
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(40,858)	546	131,984	331,362
FUND BALANCES (DEFICITS):				
Beginning of Year	176,263	416,619	850,298	(3,424,487)
End of Year	$ 135,405	$ 417,165	$ 982,282	$ (3,093,125)

Special Revenue						Debt Service
Project Amenities Management	Fire District CFD 2017-01	Golf Course	US EPA Grants	Marina Dredging & Infrastructure Improvement	Tuscany Meadows CFD 2021-1	Pension Obligations
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	199,350	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
51,955	14,369	-	-	-	-	-
-	-	-	-	-	-	4,464,886
135	(2)	2	2,612,710	3,720	-	(354)
-	-	-	-	-	55,000	-
52,090	14,367	2	2,812,060	3,720	55,000	4,464,532
-	-	-	-	-	6,515	-
-	-	-	-	-	-	-
-	-	-	-	-	-	253,454
3,881	3,189	908	154,343	-	-	-
-	-	-	-	-	-	-
-	-	-	-	154,350	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,320,000
-	-	-	-	-	-	1,777,272
3,881	3,189	908	154,343	154,350	6,515	4,350,726
48,209	11,178	(906)	2,657,717	(150,630)	48,485	113,806
-	-	-	-	987,000	-	-
-	-	-	-	-	-	-
-	-	-	-	987,000	-	-
48,209	11,178	(906)	2,657,717	836,370	48,485	113,806
62,819	8,235	(374,032)	-	-	-	3,136,265
$ 111,028	$ 19,413	$ (374,938)	$ 2,657,717	$ 836,370	$ 48,485	$ 3,250,071

(Continued)

City of Pittsburg
Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2021

	Capital Projects			
	Inclusionary Housing	Traffic Impact Fair Share	Kirker Creek Drainage Fees	Traffic Mitigation
REVENUES:				
Franchise tax	$ -	$ -	$ -	$ -
Other taxes	-	-	-	-
Intergovernmental revenues	-	-	-	-
Licenses, permits, and fees	-	-	-	2,120,918
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Service fees	-	-	-	-
Use of money and property	2,397	1,740	1,288	3,772
Other revenues	-	-	-	6,318
Total Revenues	2,397	1,740	1,288	2,131,008
EXPENDITURES:				
Current:				
General government	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	-	-	-
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	-	-	-
Capital outlay and improvements	-	-	2,287	82,631
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	2,287	82,631
REVENUES OVER (UNDER) EXPENDITURES	2,397	1,740	(999)	2,048,377
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	(18,360)	(300,000)
Total other financing sources (uses)	-	-	(18,360)	(300,000)
Net change in fund balances	2,397	1,740	(19,359)	1,748,377
FUND BALANCES (DEFICITS):				
	416,121	520,961	379,680	2,157,901
End of Year	$ 418,518	$ 522,701	$ 360,321	$ 3,906,278

Capital Projects						
Capital Improvement	Park Dedication	Regional Traffic Mitigation	Infrastructure Repair & Replacement	Community Capital Improvement	Bailey Road Maintenance	Gas Tax-Road Maintenance & Rehabilitation
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
317,764	-	-	-	-	-	1,468,723
-	1,223,013	-	-	-	139,511	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5,463	3,736	19,539	98	31,211	4,696	9,548
-	318,788	-	-	-	-	-
323,227	1,545,537	19,539	98	31,211	144,207	1,478,271
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	124,826	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,971,897
494,902	377,628	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
494,902	377,628	-	-	124,826	-	1,971,897
(171,675)	1,167,909	19,539	98	(93,615)	144,207	(493,626)
800,000	-	-	-	5,000	-	612,287
(458,426)	-	-	-	(30,000)	-	(300,000)
341,574	-	-	-	(25,000)	-	312,287
169,899	1,167,909	19,539	98	(118,615)	144,207	(181,339)
1,556,858	1,539,254	3,521,132	29,508	305,759	1,486,823	$1,465,638
$ 1,726,757	$ 2,707,163	$ 3,540,671	$ 29,606	$ 187,144	$ 1,631,030	$ 1,284,299

(Continued)

City of Pittsburg
Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2021

	Capital Projects	
	Regional Freeway Security Fee	Total Non-Major Governmental Funds
REVENUES:		
Franchise tax	$ -	$ 150,064
Other taxes	-	5,609,376
Intergovernmental revenues	-	4,012,296
Licenses, permits, and fees	-	4,182,668
Fines and forfeitures	-	31,549
Special assessments	-	4,576,970
Service fees	-	4,469,427
Use of money and property	39	2,766,616
Other revenues	7,327	899,529
Total Revenues	7,366	26,698,495
EXPENDITURES:		
Current:		
General government	-	80,160
Human resources	-	-
Finance and services	-	253,454
Community services	-	2,335,895
Public safety	390,187	1,063,291
Public works - administration	-	566,476
Public works - streets	-	7,893,881
Capital outlay and improvements	-	1,060,331
Debt service:		
Principal retirement	-	2,390,715
Interest and fiscal charges	-	1,815,451
Total Expenditures	390,187	17,459,654
REVENUES OVER (UNDER) EXPENDITURES	(382,821)	9,238,841
OTHER FINANCING SOURCES (USES):		
Transfers in	-	4,603,755
Transfers out	-	(5,972,811)
Total other financing sources (uses)	-	(1,369,056)
Net change in fund balances	(382,821)	7,869,785
FUND BALANCES (DEFICITS):		
	$224,694	23,289,891
End of Year	$ (158,127)	$ 31,159,676



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

City of Pittsburg
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Governmental Funds
For the year ended June 30, 2021

	SPECIAL REVENUE					
	SMALL CITIES GRANTS			GAS TAX		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	-	-	-	1,228,503	1,670,338	441,835
Intergovernmental revenues	-	-	-	-	860,204	860,204
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	(100)	(100)	6,000	7,866	1,866
Other revenues	4,217	22,149	17,932	-	-	-
Total revenues	4,217	22,049	17,832	1,234,503	2,538,408	1,303,905
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance and services	-	-	-	-	-	-
Community services	10,000	5,764	4,236	-	-	-
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	2,244,739	1,271,083	973,656
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	10,000	5,764	4,236	2,244,739	1,271,083	973,656
REVENUES OVER (UNDER) EXPENDITURES	(5,783)	16,285	22,068	(1,010,236)	1,267,325	2,277,561
OTHER FINANCING SOURCES (USES):						
Transfers in	10,000	4,234	(5,766)	65,000	65,000	-
Transfers out	-	(2,020)	(2,020)	(1,285,972)	(1,285,971)	1
Total other financing sources (uses)	10,000	2,214	(7,786)	(1,220,972)	(1,220,971)	1
Net change in fund balances	$ 4,217	18,499	$ 14,282	$ (2,231,208)	46,354	$ 2,277,562
FUND BALANCES (DEFICITS):						
Beginning of year		1,744			1,199,035	
End of year		$ 20,243			$ 1,245,389	

SPECIAL REVENUE									
MEASURE J TAX			LIGHTING AND LANDSCAPE			LIGHTING AND LANDSCAPING OAK HILL		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
742,900	902,646	159,746	-	-	-	-	-	-
4,860,313	134,533	(4,725,780)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	3,050,147	2,920,344	(129,803)	33,959	33,959	-
-	-	-	-	-	-	-	-	-
-	(702)	(702)	1,500	(335)	(1,835)	400	174	(226)
73,735	11,125	(62,610)	-	4,014	4,014	-	-	-
5,676,948	1,047,602	(4,629,346)	3,051,647	2,924,023	(127,624)	34,359	34,133	(226)
-	-	-	87,756	73,645	14,111	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
723,047	310,843	412,204	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	4,307,512	3,903,287	404,225	36,605	23,351	13,254
4,731,151	102,883	4,628,268	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
5,454,198	413,726	5,040,472	4,395,268	3,976,932	418,336	36,605	23,351	13,254
222,750	633,876	411,126	(1,343,621)	(1,052,909)	290,712	(2,246)	10,782	13,028
300,000	300,000	-	1,332,273	1,332,273	-	663	663	-
(765,332)	(765,332)	-	(109,753)	(109,750)	3	-	-	-
(465,332)	(465,332)	-	1,222,520	1,222,523	3	663	663	-
$ (242,582)	168,544	$ 411,126	$ (121,101)	169,614	$ 290,715	$ (1,583)	11,445	$ 13,028
	246,241			432,880			59,338	
	$ 414,785			$ 602,494			$ 70,783	

(Continued)

City of Pittsburg
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Governmental Funds
For the year ended June 30, 2021

	SPECIAL REVENUE					
	ASSETS SEIZURE			MARINA VISTA FIELD REPLACEMENT		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	31,534	31,272	(262)	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	(2,000)	-	2,000
Use of money and property	-	24	24	3,000	(950)	(3,950)
Other revenues	-	-	-	-	-	-
Total revenues	31,534	31,296	(238)	1,000	(950)	(1,950)
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance and services	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Public safety	4,226	4,226	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	850	850	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	4,226	4,226	-	850	850	-
REVENUES OVER (UNDER) EXPENDITURES	27,308	27,070	(238)	150	(1,800)	(1,950)
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	$ 27,308	27,070	$ (238)	$ 150	(1,800)	$ (1,950)
FUND BALANCES (DEFICITS):						
Beginning of year		51,664			314,430	
End of year		$ 78,734			$ 312,630	

SPECIAL REVENUE									
LOCAL LAW ENFORCEMENT BLOCK GRANT			SOUTHWEST PITTSBURG GHAD II			SOUTHWEST PITTSBURG GHAD II ADMIN			
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
-	-	-	987,075	977,636	(9,439)	-	-	-	
129,847	98,816	(31,031)	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	114	114	15,000	11,964	(3,036)	400	237	(163)	
-	-	-	-	-	-	-	-	-	
129,847	98,930	(30,917)	1,002,075	989,600	(12,475)	400	237	(163)	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
73,137	31,843	41,294	225,675	154,119	71,556	509,045	416,945	92,100	
102,588	67,506	35,082	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
175,725	99,349	76,376	225,675	154,119	71,556	509,045	416,945	92,100	
(45,878)	(419)	45,459	776,400	835,481	59,081	(508,645)	(416,708)	91,937	
-	-	-		-	-	612,466	420,781	(191,685)	
-	-	-	(612,466)	(420,781)	191,685	(4,073)	(4,073)	-	
-	-	-	(612,466)	(420,781)	191,685	608,393	416,708	(191,685)	
$ (45,878)	(419)	$ 45,459	$ 163,934	414,700	$ 250,766	$ 99,748	-	$ (99,748)	
	26,452			4,494,065			106,567		
	$ 26,033			$ 4,908,765			$ 106,567		

(Continued)

City of Pittsburg
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Governmental Funds
For the year ended June 30, 2021

	SPECIAL REVENUE					
	STORM WATER UTILITY NPDES			HUD COMMUNITY DEVELOPMENT BLOCK GRANT		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	1,259,431	971,575	(287,856)	-	-	-
Intergovernmental revenues	-	-	-	1,391,800	801,714	(590,086)
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	3,000	(755)	(3,755)	-	560	560
Other revenues	-	9,944	9,944	-	23,691	23,691
Total revenues	1,262,431	980,764	(281,667)	1,391,800	825,965	(565,835)
EXPENDITURES:						
Current:						
General government	15,760	-	15,760	-	-	-
Human resources	-	-	-	-	-	-
Finance and services	-	-	-	-	-	-
Community services	-	-	-	507,872	412,495	95,377
Public safety	-	-	-	721,024	397,714	323,310
Public works - administration	588,288	412,126	176,162	-	-	-
Public works - streets	845,802	664,685	181,117	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	1,449,850	1,076,811	373,039	1,228,896	810,209	418,687
REVENUES OVER (UNDER) EXPENDITURES	(187,419)	(96,047)	91,372	162,904	15,756	(147,148)
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	35,000	2,020	(32,980)
Transfers out	(63,918)	(63,918)	-	(163,545)	(157,779)	5,766
Total other financing sources (uses)	(63,918)	(63,918)	-	(128,545)	(155,759)	(27,214)
Net change in fund balances	$ (251,337)	(159,965)	$ 91,372	$ 34,359	(140,003)	$ (174,362)
FUND BALANCES (DEFICITS):						
Beginning of year		742,572			124,332	
End of year		$ 582,607			$ (15,671)	

SPECIAL REVENUE									
NSP NEIGHBORHOOD STABILIZATION PROGRAM			CALHOME PROGRAM			CALIFORNIA ENERGY CONSERVATION PROGRAM			
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
400	158	(242)	1,100	30,529	29,429	-	-	-	
-	-	-	-	97,680	97,680	-	-	-	
400	158	(242)	1,100	128,209	127,109	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	70,715	70,715	-	
-	-	-	-	-	-	3,785	3,782	3	
-	-	-	-	-	-	74,500	74,497	3	
400	158	(242)	1,100	128,209	127,109	(74,500)	(74,497)	3	
-	-	-	-	-	-	74,500	74,497	(3)	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	74,500	74,497	(3)	
$ 400	158	$ (242)	$ 1,100	128,209	$ 127,109	$ -	-	$ -	
	47,238			202,871			4		
	$ 47,396			$ 331,080			$ 4		

(Continued)

City of Pittsburg
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Governmental Funds
For the year ended June 30, 2021

	SPECIAL REVENUE					
	SAN MARCO CFD 2004-1			SOLID WASTE		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	625,000	699,226	74,226
Fines and forfeitures	-	-	-	-	-	-
Special assessments	1,128,010	1,090,884	(37,126)	-	-	-
Service fees	-	-	-	2,200	3,147	947
Use of money and property	600	(147)	(747)	3,500	853	(2,647)
Other revenues	-	-	-	180,000	(534)	(180,534)
Total revenues	1,128,610	1,090,737	(37,873)	810,700	702,692	(108,008)
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance and services	-	-	-	-	-	-
Community services	-	-	-	523,803	217,125	306,678
Public safety	5,000	4,865	135	231,579	197,275	34,304
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	5,000	5,240	(240)	-	-	-
Total expenditures	10,000	10,105	(105)	755,382	414,400	340,982
REVENUES OVER (UNDER) EXPENDITURES	1,118,610	1,080,632	(37,978)	55,318	288,292	232,974
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	(1,050,000)	(1,050,000)	-	(4,213)	(4,213)	-
Total other financing sources (uses)	(1,050,000)	(1,050,000)	-	(4,213)	(4,213)	-
Net change in fund balances	$ 68,610	30,632	$ (37,978)	$ 51,105	284,079	$ 232,974
FUND BALANCES (DEFICITS):						
Beginning of year		74,019			496,160	
End of year		$ 104,651			$ 780,239	

SPECIAL REVENUE									
VISTA DEL MAR CFD 2005-2			PUBLIC SAFETY CFD 2005-1			PARK MAINTENANCE CFD 2007-1		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
367,490	367,490	-	667,000	719,691	52,691	-	-	-
-	-	-	-	-	-	40,000	31,906	(8,094)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	105,460	114,040	8,580
-	-	-	-	-	-	-	-	-
-	(73)	(73)	600	(387)	(987)	300	120	(180)
-	-	-	-	-	-	-	-	-
367,490	367,417	(73)	667,600	719,304	51,704	145,760	146,066	306
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
700	690	10	1,000	828	172	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	78,732	57,883	20,849
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
	-	-	3,000	4,714	(1,714)	6,000	5,227	773
700	690	10	4,000	5,542	(1,542)	84,732	63,110	21,622
366,790	366,727	(63)	663,600	713,762	50,162	61,028	82,956	21,928
-	-	-	-	-	-	-	-	-
(340,000)	(340,000)	-	(640,000)	(640,000)	-	(702)	(702)	-
(340,000)	(340,000)	-	(640,000)	(640,000)	-	(702)	(702)	-
$ 26,790	26,727	$ (63)	$ 23,600	73,762	$ 50,162	$ 60,326	82,254	$ 21,928
	9,838			105,973			98,159	
	$ 36,565			$ 179,735			$ 180,413	

(Continued)

City of Pittsburg
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Governmental Funds
For the year ended June 30, 2021

	SPECIAL REVENUE					
	COPS HIRING RECOVERY			PITTSBURG ARTS & COMMUNITY FOUNDATION		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	21,486	21,486	-	-	77,800	77,800
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	277	277
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	15,063	1,394	(13,669)
Use of money and property	-	-	-	15,141	15,138	(3)
Other revenues	-	-	-	1,355,558	343,493	(1,012,065)
Total revenues	21,486	21,486	-	1,385,762	438,102	(947,660)
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance and services	-	-	-	-	-	-
Community services	-	-	-	1,428,570	478,960	949,610
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	-	-	-	1,428,570	478,960	949,610
REVENUES OVER (UNDER) EXPENDITURES	21,486	21,486	-	(42,808)	(40,858)	1,950
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	(21,486)	(21,486)	-	-	-	-
Total other financing sources (uses)	(21,486)	(21,486)	-	-	-	-
Net change in fund balances	$ -	-	$ -	$ (42,808)	(40,858)	$ 1,950
FUND BALANCES (DEFICITS):						
Beginning of year		-			176,263	
End of year		$ -			$ 135,405	

SPECIAL REVENUE									
HILLVIEW JR. HIGH ATHLETIC FIELD			PUBLIC, EDUCATION, AND GOVERNMENT FEES (PEG)			RAILROAD AVENUE SPECIFIC AREA PLAN		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
$ -	$ -	$ -	$ 120,000	$ 150,064	$ 30,064	$ -	$ -	$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	346,959	351,419	4,460
-	-	-	-	-	-	-	-	-
4,000	1,391	(2,609)	4,000	2,574	(1,426)	150	(841)	(991)
-	-	-	-	-	-	-	-	-
4,000	1,391	(2,609)	124,000	152,638	28,638	347,109	350,578	3,469
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	137,000	20,654	116,346	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
845	845	-	-	-	-	-	-	-
-	-	-	-	-	-	2,000	-	2,000
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	19,216	(19,216)
845	845	-	137,000	20,654	116,346	2,000	19,216	(17,216)
3,155	546	(2,609)	(13,000)	131,984	144,984	345,109	331,362	(13,747)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
$ 3,155	546	$ (2,609)	$ (13,000)	131,984	$ 144,984	$ 345,109	331,362	$ (13,747)
	416,619			850,298			(3,424,487)	
	$ 417,165			$ 982,282			$ (3,093,125)	

(Continued)

City of Pittsburg
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Governmental Funds
For the year ended June 30, 2021

	SPECIAL REVENUE					
	PROJECT AMENITIES MANAGEMENT			FIRE DISTRICT CFD 2017-01		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	26,888	51,955	25,067	6,657	14,369	7,712
Service fees	-	-	-	-	-	-
Use of money and property	300	135	(165)	-	(2)	(2)
Other revenues	-	-	-	-	-	-
Total revenues	27,188	52,090	24,902	6,657	14,367	7,710
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance and services	-	-	-	-	-	-
Community services	2,400	3,881	(1,481)	-	-	-
Public safety	-	-	-	2,028	3,189	(1,161)
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	2,400	3,881	(1,481)	2,028	3,189	(1,161)
REVENUES OVER (UNDER) EXPENDITURES	24,788	48,209	23,421	4,629	11,178	6,549
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	$ 24,788	48,209	$ 23,421	$ 4,629	11,178	$ 6,549
FUND BALANCES (DEFICITS):						
Beginning of year		62,819			8,235	
End of year		$ 111,028			$ 19,413	

SPECIAL REVENUE									
GOLF COURSE			US EPA GRANT			MARINA DREDGING INFRASTRUCTURE & IMPROVEMENT			
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-	-
-	-	-	1,044,680	199,350	(845,330)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	2	2	-	2,612,710	2,612,710	-	3,720	3,720
-	-	-	-	-	-	-	-	-
-	2	2	1,044,680	2,812,060	1,767,380	-	3,720	3,720
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
4,000	908	3,092	1,044,681	154,343	890,338	330,841	154,350	176,491
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
4,000	908	3,092	1,044,681	154,343	890,338	330,841	154,350	176,491
(4,000)	(906)	3,094	(1)	2,657,717	2,657,718	(330,841)	(150,630)	180,211
-	-	-	-	-	-	-	-	-
(300,000)	-	300,000	-	-	-	987,000	987,000	-
(300,000)	-	300,000	-	-	-	987,000	987,000	-
$ (304,000)	(906)	$ 303,094	$ (1)	2,657,717	$ 2,657,718	$ 656,159	836,370	$ 180,211
	(374,032)			-			-	
	$ (374,938)			$ 2,657,717			$ 836,370	

(Continued)

City of Pittsburg
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Governmental Funds
For the year ended June 30, 2021

	SPECIAL REVENUE			DEBT SERVICE FUND		
	TUSCANY MEADOWS CFD 2021-1			PENSION OBLIGATION		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	4,464,886	4,464,886	-
Use of money and property	-	-	-	15,000	(354)	(15,354)
Other revenues	-	55,000	55,000	-	-	-
Total revenues	-	55,000	55,000	4,479,886	4,464,532	(15,354)
EXPENDITURES:						
Current:						
General government	-	6,515	(6,515)	-	-	-
Human resources	-	-	-	253,454	253,454	-
Finance and services	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	2,320,000	2,320,000	-
Interest and fiscal charges	-	-	-	1,778,542	1,777,272	1,270
Total expenditures	-	6,515	(6,515)	4,351,996	4,350,726	1,270
REVENUES OVER (UNDER) EXPENDITURES	-	48,485	48,485	127,890	113,806	(14,084)
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	$ -	48,485	$ 48,485	$ 127,890	113,806	$ (14,084)
FUND BALANCES (DEFICITS):						
Beginning of year		-			3,136,265	
End of year		$ 48,485			$ 3,250,071	

CAPITAL PROJECTS									
INCLUSIONARY HOUSING			TRAFFIC IMPACT FAIR SHARE			KIRKER CREEK DRAINAGE FEES			
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
4,000	2,397	(1,603)	4,000	1,740	(2,260)	3,000	1,288	(1,712)	
-	-	-	-	-	-	-	-	-	
4,000	2,397	(1,603)	4,000	1,740	(2,260)	3,000	1,288	(1,712)	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	3,547	2,287	1,260	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	3,547	2,287	1,260	
4,000	2,397	(1,603)	4,000	1,740	(2,260)	(547)	(999)	(452)	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	(18,360)	(18,360)	-	
-	-	-	-	-	-	(18,360)	(18,360)	-	
$ 4,000	2,397	$ (1,603)	$ 4,000	1,740	$ (2,260)	$ (18,907)	(19,359)	$ (452)	
	416,121			520,961			379,680		
	$ 418,518			$ 522,701			$ 360,321		

(Continued)

City of Pittsburg
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Governmental Funds
For the year ended June 30, 2021

	CAPITAL PROJECTS					
	TRAFFIC MITIGATION			CAPITAL IMPROVEMENT		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	729,023	317,764	(411,259)
Licenses, permits, and fees	1,688,315	2,120,918	432,603	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	3,772	3,772	-	5,463	5,463
Other revenues	3,958,761	6,318	(3,952,443)	-	-	-
Total revenues	5,647,076	2,131,008	(3,516,068)	729,023	323,227	(405,796)
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance and services	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	4,083,376	82,631	4,000,745	2,567,283	494,902	2,072,381
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	4,083,376	82,631	4,000,745	2,567,283	494,902	2,072,381
REVENUES OVER (UNDER) EXPENDITURES	1,563,700	2,048,377	484,677	(1,838,260)	(171,675)	1,666,585
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	800,000	800,000	-
Transfers out	(300,000)	(300,000)	-	(458,426)	(458,426)	-
Total other financing sources (uses)	(300,000)	(300,000)	-	341,574	341,574	-
Net change in fund balances	$ 1,263,700	1,748,377	$ 484,677	$ (1,496,686)	169,899	$ 1,666,585
FUND BALANCES (DEFICITS):						
Beginning of year		2,157,901			1,556,858	
End of year		$ 3,906,278			$ 1,726,757	

CAPITAL PROJECTS									
PARK DEDICATION			REGIONAL TRAFFIC MITIGATION			INFRASTRUCTURE REPAIR & REPLACEMENT		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,183,792	1,223,013	(960,779)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
7,000	3,736	(3,264)	2,500	19,539	17,039	3,000	98	(2,902)
318,000	318,788	788	-	-	-	-	-	-
2,508,792	1,545,537	(963,255)	2,500	19,539	17,039	3,000	98	(2,902)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,997,812	377,628	2,620,184	17,149	-	17,149	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,997,812	377,628	2,620,184	17,149	-	17,149	-	-	-
(489,020)	1,167,909	1,656,929	(14,649)	19,539	34,188	3,000	98	(2,902)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
$ (489,020)	1,167,909	$ 1,656,929	$ (14,649)	19,539	$ 34,188	$ 3,000	98	$ (2,902)
	1,539,254			3,521,132			29,508	
	$ 2,707,163			$ 3,540,671			$ 29,606	

(Continued)

City of Pittsburg
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non-Major Governmental Funds
For the year ended June 30, 2021

	CAPITAL PROJECTS					
	COMMUNITY CAPITAL IMPROVEMENT			BAILEY ROAD MAINTENANCE		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	150,000	139,511	(10,489)
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	31,211	31,211	12,000	4,696	(7,304)
Other revenues	-	-	-	-	-	-
Total revenues	-	31,211	31,211	162,000	144,207	(17,793)
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance and services	-	-	-	-	-	-
Community services	202,761	124,826	77,935	-	-	-
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	202,761	124,826	77,935	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	(202,761)	(93,615)	109,146	162,000	144,207	(17,793)
OTHER FINANCING SOURCES (USES):						
Transfers in	5,000	5,000	-	-	-	-
Transfers out	(30,000)	(30,000)	-	-	-	-
Total other financing sources (uses)	(25,000)	(25,000)	-	-	-	-
Net change in fund balances	$ (227,761)	(118,615)	$ 109,146	$ 162,000	144,207	$ (17,793)
FUND BALANCES (DEFICITS):						
Beginning of year		305,759			1,486,823	
End of year		$ 187,144			$ 1,631,030	

CAPITAL PROJECTS					
GAS TAX-ROAD MAINTENANCE AND REHABILITATION			REGIONAL FREEWAY SECURITY FEE		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
2,080,506	1,468,723	(611,783)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,000	9,548	4,548	-	39	39
-	-	-	328,856	7,327	(321,529)
2,085,506	1,478,271	(607,235)	328,856	7,366	(321,490)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	607,492	390,187	217,305
-	-	-	-	-	-
3,732,357	1,971,897	1,760,460	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,732,357	1,971,897	1,760,460	607,492	390,187	217,305
(1,646,851)	(493,626)	1,153,225	(278,636)	(382,821)	(104,185)
612,287	612,287	-	-	-	-
(300,000)	(300,000)	-	-	-	-
312,287	312,287	-	-	-	-
$ (1,334,564)	(181,339)	$ 1,153,225	$ (278,636)	(382,821)	$ (104,185)
	$1,465,638			$224,694	
	$ 1,284,299			$ (158,127)	



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a reimbursement basis. There are five funds as follows:

Fleet Maintenance Fund – Used to account for the costs of operating, maintaining, and replacing automotive equipment used by other departments. Rental rates charged to the using departments include operating costs and equipment depreciation.

Building Maintenance Fund – Used to account for the cost of maintaining all City governmental buildings.

Insurance Fund – Used to account for revenues from charges to operating departments sufficient to provide adequate reserve for future claims.

Information/Communication Services Fund – Used to account for the cost of operating, maintaining and replacing a data processing system. Rental rates charged to the using departments include operating cost and equipment depreciation.

Fringe Benefits Fund – Used to allocate fringe costs to various departments.

Other Post-Employment Benefits (OPEB) Fund – Used to reduce unfunded OPEB liabilities and to pay the City's portion of current year retiree medical expenses.

115 Pension Reserve Fund – Used to accumulate funds to pay down CalPERS Unfunded Accrued Liability.

City of Pittsburg
Combining Statement of Net Position
Internal Service Funds
June 30, 2021

	Fleet Maintenance	Building Maintenance	Insurance
ASSETS			
Current assets:			
Cash and investments	$ 1,415,881	$ 885,141	$ 656,479
Restricted cash and investments	-	-	-
Receivables:			
Accounts	15	320	-
Inventory	20,958	15,725	-
Prepaid items	3,137	2,627	-
Total current assets	1,439,991	903,813	656,479
Noncurrent assets:			
Capital assets:			
Depreciable assets, net	2,139,881	485,163	-
Total noncurrent assets	2,139,881	485,163	-
Total Assets	3,579,872	1,388,976	656,479
LIABILITIES			
Current liabilities:			
Accounts payable	66,537	113,831	24,342
Salaries payable	-	-	-
Claims and judgments payable - due within one year	-	-	225,517
Compensated absences - due within one year	30,765	35,146	-
Long-term-debt - due within one year	330,238	21,329	-
Due to other funds	-	-	-
Advance from other funds	-	131,217	-
Total current liabilities	427,540	301,523	249,859
Noncurrent liabilities:			
Compensated absences - due in more than one year	10,254	11,715	-
Long-term debt - due in more than one year	729,614	124,427	-
Total noncurrent liabilities	739,868	136,142	-
Total Liabilities	1,167,408	437,665	249,859
NET POSITION			
Net investment in capital assets	1,080,029	339,407	-
Restricted	-	-	-
Unrestricted	1,332,435	611,904	406,620
Total Net Position	$ 2,412,464	$ 951,311	$ 406,620

Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	115 Pension Reserve	Total
$ 1,279,216	$ 1,218,649	$ -	$ -	$ 5,455,366
-	-	-	1,954,217	1,954,217
-	-	1,200,000	19	1,200,354
405,284	-	-	-	441,967
31,720	3,578	-	-	41,062
1,716,220	1,222,227	1,200,000	1,954,236	9,092,966
309,452	-	-	-	2,934,496
309,452	-	-	-	2,934,496
2,025,672	1,222,227	1,200,000	1,954,236	12,027,462
2,949	12,272	375	-	220,306
-	-	6,279	-	6,279
-	-	-	-	225,517
28,157	-	-	-	94,068
121,208	-	-	-	472,775
-	-	789,554	19	789,573
-	-	-	-	131,217
152,314	12,272	796,208	19	1,939,735
9,386	-	-	-	31,355
-	-	-	-	854,041
9,386	-	-	-	885,396
161,700	12,272	796,208	19	2,825,131
188,244	-	-	-	1,607,680
-	-	-	1,954,217	1,954,217
1,675,728	1,209,955	403,792	-	5,640,434
$ 1,863,972	$ 1,209,955	$ 403,792	$ 1,954,217	$ 9,202,331

City of Pittsburg
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2021

	Fleet Maintenance	Building Maintenance	Insurance
OPERATING REVENUES:			
Charges for services	$ 1,976,911	$ 2,053,711	$ 2,127,119
Other operating revenues	101,072	15,155	-
Total operating revenues	2,077,983	2,068,866	2,127,119
OPERATING EXPENSES:			
Salaries and wages	264,840	370,759	-
Department supplies	669,419	154,924	-
Rentals	38,700	509	-
Utilities	4,944	348,184	-
Maintenance and operations	292,376	823,725	-
Depreciation and amortization	681,101	39,369	-
Insurance premiums	18,024	248,328	1,927,886
Insurance deductible	22,020	29,472	317,182
Fringe benefits	248,807	340,242	-
Other operating expenses	10,855	9,813	-
Total operating expenses	2,251,086	2,365,325	2,245,068
OPERATING INCOME (LOSS)	(173,103)	(296,459)	(117,949)
NONOPERATING REVENUES (EXPENSES):			
Gain (loss) on disposal of assets	5,688	-	-
Investment income	(48,968)	(2,176)	-
Total nonoperating revenues	(43,280)	(2,176)	-
INCOME (LOSS) BEFORE TRANSFERS	(216,383)	(298,635)	(117,949)
TRANSFERS:			
Transfers in	-	60,000	-
Transfers out	(9,972)	(11,938)	-
Transfers in (out)	(9,972)	48,062	-
Change in net position	(226,355)	(250,573)	(117,949)
NET POSITION:			
Beginning of year, as restated	2,638,819	1,201,884	524,569
End of year	$ 2,412,464	$ 951,311	$ 406,620

Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	115 Pension Reserve	Total
$ 1,147,167	$ 2,015,865	$ 679,874	$ 530,164	$ 10,530,811
11,169	301	1,200,000	-	1,327,697
1,158,336	2,016,166	1,879,874	530,164	11,858,508
477,646	-	-	-	1,113,245
108,768	-	-	-	933,111
-	-	-	-	39,209
-	-	-	-	353,128
383,951	12,594	15,297	-	1,527,943
119,030	-	-	-	839,500
-	-	-	-	2,194,238
32,772	-	-	-	401,446
366,296	1,930,401	2,016,805	-	4,902,551
-	-	-	8,143	28,811
1,488,463	1,942,995	2,032,102	8,143	12,333,182
(330,127)	73,171	(152,228)	522,021	(474,674)
(679)	-	-	-	5,009
-	-	-	260,577	209,433
(679)	-	-	260,577	214,442
(330,806)	73,171	(152,228)	782,598	(260,232)
300,000	-	300,000	-	660,000
-	-	-	-	(21,910)
300,000	-	300,000	-	638,090
(30,806)	73,171	147,772	782,598	377,858
1,894,778	1,136,784	256,020	1,171,619	8,824,473
$ 1,863,972	$ 1,209,955	$ 403,792	$ 1,954,217	$ 9,202,331

City of Pittsburg
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2021

	Fleet Maintenance	Building Maintenance	Insurance
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from interfund services provided	$ 1,978,547	$ 2,054,353	$ 2,127,119
Cash payments to suppliers for goods and services	(1,066,948)	(1,600,825)	(2,071,281)
Cash payments to employees for services	(510,218)	(724,795)	-
Other operating revenues (expenses)	101,072	15,155	-
Net cash provided (used) by operating activities	502,453	(256,112)	55,838
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Interfund receipts	-	-	-
Interfund payments	-	(25,084)	-
Transfers in	-	60,000	-
Transfers (out)	(9,972)	(11,938)	-
Net cash provided (used) by noncapital financing activities	(9,972)	22,978	-
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:			
Payments made on capital lease	(342,106)	(21,325)	-
Gain (loss) from disposal of capital assets	5,688	-	-
Acquisition of capital assets	(27,402)	-	-
Net cash provided (used) by capital financing activities	(363,820)	(21,325)	-
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest revenue and change in market value of investments	(48,968)	(2,176)	-
Net cash provided (used) by investing activities	(48,968)	(2,176)	-
Net increase (decrease) in cash and cash equivalents	79,693	(256,635)	55,838
CASH AND CASH EQUIVALENTS:			
Beginning of year, as restated (Note 9D)	1,336,188	1,141,776	600,641
End of year	$ 1,415,881	$ 885,141	$ 656,479
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	$ (173,103)	$ (296,459)	$ (117,949)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	681,101	39,369	-
Changes in operating assets and liabilities:			
Accounts receivable	1,636	642	-
Prepaids	(3,137)	(1,575)	-
Accounts payable	(14,171)	15,705	18,468
Salaries and wages payable	-	-	-
Compensated absences	3,429	(13,794)	-
Insurance claims payable	-	-	155,319
Net cash provided (used) by operating activities	$ 502,453	$ (256,112)	$ 55,838

Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	115 Pension Reserve	Total
$ 1,147,167	$ 2,015,865	$ 679,874	$ 530,145	$ 10,533,070
(539,049)	-	(22,695)	(8,143)	(5,308,941)
(824,997)	(2,041,423)	(2,016,939)	(297)	(6,118,669)
11,169	301	7	-	127,704
(205,710)	(25,257)	(1,359,753)	521,705	(766,836)
-	-	789,554	19	789,573
-	-	-	-	(25,084)
300,000	-	300,000	-	660,000
-	-	-	-	(21,910)
300,000	-	1,089,554	19	1,402,579
(121,210)	-	-	-	(484,641)
(679)	-	-	-	5,009
(18,040)	-	-	-	(45,442)
(139,929)	-	-	-	(525,074)
-	-	-	260,577	209,433
-	-	-	260,577	209,433
(45,639)	(25,257)	(270,199)	782,301	320,102
1,324,855	1,243,906	270,199	1,171,916	7,089,481
$ 1,279,216	$ 1,218,649	$ -	$ 1,954,217	$ 7,409,583
$ (330,127)	$ 73,171	$ (152,228)	$ 522,021	$ (474,674)
119,030	-	-	-	839,500
-	-	(1,199,993)	(19)	(1,197,734)
10,270	(3,578)	-	-	1,980
(24,507)	(94,850)	(7,398)	-	(106,753)
-	0	(134)	(297)	(431)
18,945	-	-	-	8,580
-	-	-	-	155,319
$ (205,710)	$ (25,257)	$ (1,359,753)	$ 521,705	$ (766,836)



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

CUSTODIAL FUNDS

Custodial Funds are used to report resources, not in a trust, that are held by the City for other parties outside of the City's reporting entity.

Assessment Districts Custodial Fund accounts for the collection of property taxes and the payments to bondholders.

Other Impact Fees Custodial Fund accounts for the collection of developer fees on behalf of the Contra Costa Fire Protection District (CCFPD), Contra Costa Water District (CCWD) and the East Contra Costa Regional Fee and Finance Authority (ECCRFF).

V***ista Del Mar & San Marco CFD's Custodial Fund*** accounts for funds used to construct and acquire certain public improvements, consisting of roadway, water and other infrastructure improvements necessary for the development of property within the district, as well as park improvements.

City of Pittsburg
Combining Statement of Net Position
June 30, 2021

ASSETS	Assessment Districts Custodial Fund	Other Impact Fees Custodial Fund	Vista Del Mar & San Marco CFD's Custodial Fund	Total Custodial Funds
Cash and investments (Note 2)	$ 2,421,759	$ 996,421	$ 2,050,521	$ 5,468,701
Cash and investments held by fiscal agent (Note 2)	2,356,556	-	758,003	3,114,559
Assessment receivable	1,552,861	-	-	1,552,861
Total Assets	6,331,176	996,421	2,808,524	10,136,121
LIABILITIES				
Accounts payable	32,542	911,003	55	943,600
Deferred assessments	1,552,861	40,867	-	1,593,728
Total Liabilities	1,585,403	951,870	55	2,537,328
NET POSITION				
Restricted for bondholders	4,745,773	44,551	2,808,469	7,598,793
Total Net Position	$ 4,745,773	$ 44,551	$ 2,808,469	$ 7,598,793

City of Pittsburg
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2021

ADDITIONS	Assessment Districts Custodial Fund	Other Impact Fees Custodial Fund	Vista Del Mar & San Marco CFD's Custodial Fund	Total Custodial Funds
Property tax and special assessments	$ 1,601,804	$ -	$ 2,104,027	$ 3,705,831
Use of money and property	8,603	8,943	(1,802)	15,744
Total Additions	1,610,407	8,943	2,102,225	3,721,575
DEDUCTIONS				
General administration	93,230	-	1,234,410	1,327,640
Payment to bond holders	1,987,754	-	713,933	2,701,687
Total Deductions	2,080,984	-	1,948,343	4,029,327
Change in Net Position	(470,577)	8,943	153,882	(307,752)
NET POSITION				
Beginning of Year, as restated (Note 1Q)	5,216,350	35,608	2,654,587	7,906,545
End of Year	$ 4,745,773	$ 44,551	$ 2,808,469	$ 7,598,793



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

STATISTICAL SECTION

This part of the City of Pittsburg's comprehensive annual financial report presents detailed information in a statistical format as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information is conveying about the City of Pittsburg's overall financial status.

The major points of emphasis are:

Financial Trends

These schedules contain trend information to help the ACFR reader understand how the City of Pittsburg's financial performance and economic status have changed over time.

Revenue Capacity

These schedules contain information to help the ACFR reader evaluate factors affecting the City of Pittsburg's ability to generate its property and sales taxes and other major revenues.

Debt Capacity

These schedules present information to help the ACFR reader assess the affordability of the City of Pittsburg's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indications to help the ACFR reader understand the environment within which the City of Pittsburg's financial activities occur.

Operating Information

These schedules contain information about the City of Pittsburg's operations and resources to help the ACFR reader understand how the City's financial information relates to the services the City provides and the activities it performs.

*Due to the State of California's adoption of ABx1 26 on June 28, 2011, and amended by AB1484 on June 27, 2012, which suspended all new redvelopment activities except for limited specified activities as of that date and and dissolves redevelopment agencies as of January 31, 2012, there will be large variances between the fiscal years 2010-2011 and fiscal year 2011-2012 for some of the statistical references. The City of Pittsburg has assumed the responsibiities as the Sucessor Agency to administer all post activies for the former Pittsburg Redevelopment Agency.

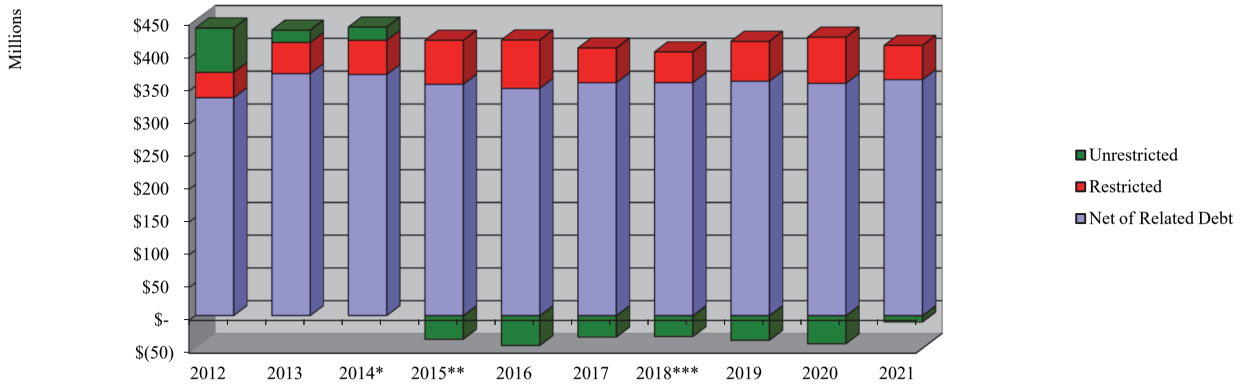


CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

CITY OF PITTSBURG
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)



	2012	2013	2014*	2015**	2016	2017	2018***	2019	2020	2021
Governmental activities										
Net Investment in Capital Assets	$ 252,487,708	$ 281,680,787	$ 275,604,919	$ 268,580,073	$ 255,982,568	$ 253,993,565	$ 249,540,604	$ 248,811,743	$ 242,952,736	$ 238,477,548
Restricted	14,746,589	25,904,321	31,094,899	27,662,593	27,990,550	24,280,860	21,203,698	27,518,072	35,381,734	20,474,166
Unrestricted	58,656,185	6,994,639	8,632,467	(37,752,882)	(39,107,180)	(33,347,842)	(34,066,754)	(38,084,770)	(46,713,289)	(16,609,185)
Total governmental activities net position	$ 325,890,482	$ 314,579,747	$ 315,332,285	$ 258,489,784	$ 244,865,938	$ 244,926,583	$ 236,677,548	$ 238,245,045	$ 231,621,181	$ 242,342,529
Business-type activities										
Net Investment in Capital Assets	$ 79,796,698	$ 87,252,264	$ 92,058,482	$ 84,084,664	$ 90,569,824	$ 101,088,405	$ 105,621,313	$ 108,577,637	$ 111,213,656	$ 121,335,984
Restricted	23,822,298	21,659,904	21,038,895	39,342,518	45,659,407	28,553,531	25,743,990	33,305,962	34,914,919	31,637,948
Unrestricted	8,802,052	11,726,531	11,513,401	1,768,289	(6,475,018)	659,892	2,189,756	535,206	3,824,766	6,923,141
Total business-type activities net position	$ 112,421,048	$ 120,638,699	$ 124,610,778	$ 125,195,471	$ 129,754,213	$ 130,301,828	$ 133,555,059	$ 142,418,805	$ 149,953,341	$ 159,897,073
Primary government										
Net Investment in Capital Assets	$ 332,284,406	$ 368,933,051	$ 367,663,401	$ 352,664,737	$ 346,552,392	$ 355,081,970	$ 355,161,917	$ 357,389,380	$ 354,166,392	$ 359,813,532
Restricted	38,568,887	47,564,225	52,133,794	67,005,111	73,649,957	52,834,391	46,947,688	60,824,034	70,296,653	52,112,114
Unrestricted	67,458,237	18,721,170	20,145,868	(35,984,593)	(45,582,198)	(32,687,950)	(31,876,998)	(37,549,564)	(42,888,523)	(9,686,044)
Total primary government net position	$ 438,311,530	$ 435,218,446	$ 439,943,063	$ 383,685,255	$ 374,620,151	$ 375,228,411	$ 370,232,607	$ 380,663,850	$ 381,574,522	$ 402,239,602

* FY 2013-2014 Fund balances had been restated as a result of reclass of Golf Course Fund from Enterprise Fund to Special Revenue Fund. See FY 2014-15 Note 9E for details

** FY 2014-15, The City adopted GASB 68 and 71. See FY 2014-15 Note 11 for details.

*** FY 2017-18, The City adopted GASB 75. See FY 2017-18 Note 12 for details.

CITY OF PITTSBURG
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities:										
General Government	$ 7,933,936	$ 6,684,607	$ 7,027,878	$ 10,232,271	$ 8,089,040	$ 6,933,634	$ 7,743,300	$ 7,382,598	$ 7,496,883	$ 7,962,196
Public Safety	22,929,002	20,955,624	22,683,125	24,833,843	26,746,601	25,990,472	28,241,337	30,371,957	34,581,759	32,746,859
Public Works	16,741,235	19,679,890	16,305,801	18,213,277	19,237,901	15,776,982	14,832,846	14,998,964	16,632,134	16,286,229
Community Development	26,418,644	23,214,430	18,705,444	21,998,387	23,752,847	23,263,875	25,907,831	26,927,327	26,825,797	31,619,115
Culture and Recreation	595,285	699,730	806,965	862,068	1,012,670	1,019,460	1,238,030	1,206,786	1,259,446	973,336
Interest on Long Term Debt	13,717,168	1,026,639	1,574,056	4,074,415	4,476,644	4,378,265	4,031,806	3,374,537	4,354,271	3,361,276
Total Governmental Activities Expenses	88,335,270	72,260,920	67,103,269	80,214,261	83,315,703	77,362,688	81,995,150	84,262,169	91,150,290	92,949,011
Business-Type Activities:										
Water	14,884,762	15,518,027	16,513,159	17,477,524	18,552,726	25,929,659	18,728,126	18,893,219	20,348,775	21,084,939
Wastewater	2,442,521	2,212,309	2,490,191	2,264,022	2,583,101	3,176,015	3,027,448	3,175,703	2,931,682	3,019,946
Marina	2,405,288	2,448,483	2,230,133	2,352,274	2,424,083	2,471,440	2,369,801	2,484,823	2,548,501	2,783,372
Pittsburg Power*	-	-	5,659,707	6,670,282	6,597,065	6,569,528	6,947,359	7,502,071	7,701,669	8,492,592
Other-Non-Major Enterprise Funds	5,147,173	4,984,797	821,344	750,765	972,469	1,512,250	1,405,996	1,216,482	1,459,490	1,343,580
Total Business-Type Activities Expenses	24,879,744	25,163,616	27,714,534	29,514,867	31,129,444	39,658,892	32,478,730	33,272,298	34,990,117	36,724,429
Total Primary Government Expenses	$ 113,215,014	$ 97,424,536	$ 94,817,803	$ 109,729,128	$ 114,445,147	$ 117,021,580	$ 114,473,880	$ 117,534,467	$ 126,140,407	$ 129,673,440
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	$ 6,852,057	$ 5,190,861	$ 4,736,292	$ 7,595,331	$ 7,331,129	$ 7,079,265	$ 6,944,075	$ 8,334,058	$ 8,384,133	$ 8,692,831
Public Safety	1,044,743	842,598	1,072,098	1,206,225	1,472,062	1,793,282	3,333,157	3,926,464	3,031,297	2,242,981
Public Works	3,596,128	4,356,858	905,135	524,555	772,724	668,273	768,170	2,114,166	2,043,942	4,224,955
Community Development	19,229,249	8,189,144	7,054,779	4,685,299	7,203,571	5,989,087	5,599,140	6,691,251	5,111,318	9,993,907
Culture and Recreation	420,047	685,418	762,357	733,235	834,970	911,855	990,982	972,829	972,829	825,802
Operating Grants and Contributions	12,661,954	12,104,023	13,133,883	12,699,542	13,641,846	18,154,961	17,924,456	19,071,198	18,031,974	20,512,898
Capital Grants and Contributions	3,997,403	314,203	979,706	48,709	545,127	3,705,925	1,132,855	897,177	822,332	1,442,355
Total Government Activities Program Revenues	47,801,581	31,683,105	28,644,250	27,492,896	31,801,429	38,302,648	36,692,835	42,007,143	38,397,825	47,935,729

Continued

CITY OF PITTSBURG
Changes in Net Position
(continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-Type Activities:										
Charges for Services:										
Water	17,276,044	19,605,199	19,640,140	18,979,002	19,559,288	20,352,786	21,468,810	23,240,951	25,192,434	29,104,815
Wastewater	4,566,645	5,049,987	4,918,873	5,123,475	5,264,897	5,241,131	5,280,083	5,510,632	5,138,927	5,882,042
Marina	1,942,681	1,914,502	2,020,396	2,071,214	1,931,707	2,011,270	2,046,221	2,156,979	2,286,801	2,015,817
Pittsburg Power Co.*	-	-	5,913,071	6,919,807	7,162,170	7,269,448	8,005,118	8,938,923	7,534,442	9,655,712
WaterFront Operations**	-	-	-	863,297	1,408,172	1,458,623	1,490,811	1,541,154	1,579,620	1,632,918
Other-Non-Major Enterprise Funds***	5,966,340	6,204,779	519,498	-	-	-	-	-	-	-
Operating Grants and Contributions	-	-	40,000	-	270,931	200,127	139,465	179,686	109,206	167,980
Capital Grants and Contributions	205,675	2,019,849	748,904	2,145,271	1,780,581	6,026,102	-	53,000	27,347	-
Total Business-Type Activities Program Revenue	29,957,385	34,794,316	33,800,882	36,102,066	37,377,746	42,559,487	38,430,508	41,621,325	41,868,777	48,459,284
Total Primary Government Program Revenues	$ 77,758,966	$ 66,477,421	$ 62,445,132	$ 63,594,962	$ 69,179,175	$ 80,862,135	$ 75,123,343	$ 83,628,468	$ 80,266,602	$ 96,395,013
Net (Expense)/Revenue										
Governmental Activities	$ (40,533,689)	$ (40,577,815)	$ (38,459,019)	$ (52,721,365)	$ (51,514,274)	$ (39,060,040)	$ (45,302,315)	$ (42,255,026)	$ (52,752,465)	$ (45,013,282)
Business-Type Activities	5,077,641	9,630,700	6,086,348	6,587,199	6,248,302	2,900,595	5,951,778	8,349,027	6,878,660	11,734,855
Total Primary Government Net Expense	$ (35,456,048)	$ (30,947,115)	$ (32,372,671)	$ (46,134,166)	$ (45,265,972)	$ (36,159,445)	$ (39,350,537)	$ (33,905,999)	$ (45,873,805)	$ (33,278,427)

*Pittsburg Power Co. was reported as Non-Major Enterprise Funds prior to FY 2014.
**Waterfront Operation was reported as Non-Major Enterprise Funds prior to FY 2015.
***Golf Course was reported as Non-Major Enterprise Funds prior to FY 2014 and had been reclassified to Special Revenue Fund in FY 2015.

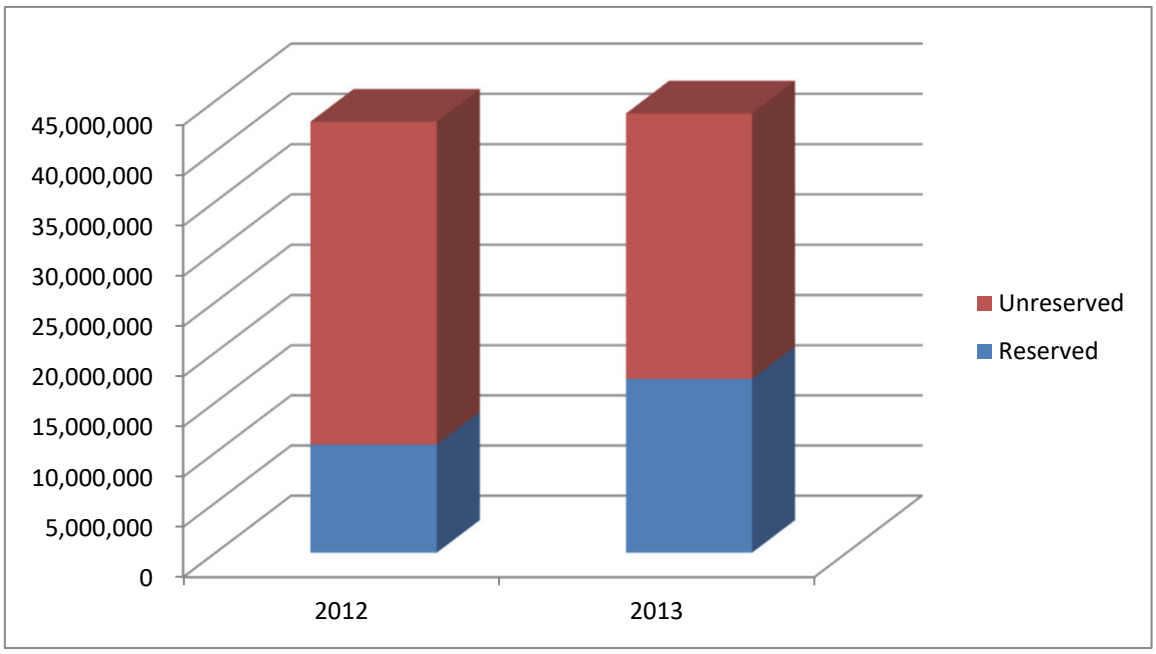
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CITY OF PITTSBURG
Changes in Net Position
(continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	$ 23,507,704	$ 2,176,998	$ 2,613,321	$ 3,204,965	$ 3,300,776	$ 3,573,822	$ 3,972,711	$ 4,039,499	$ 4,082,582	$ 4,455,736
Sales Taxes	6,168,690	11,232,622	12,563,378	11,745,524	13,112,880	13,372,246	13,616,195	14,446,467	15,771,436	20,565,598
Motor Vehicle In-Lieu	4,470,104	3,727,494	3,795,560	4,169,031	4,422,099	4,544,316	4,825,687	5,152,948	5,374,375	5,720,207
Transient Occupancy Tax	361,238	447,537	503,265	645,115	710,501	758,814	831,743	842,605	777,473	594,956
Nonregulatory Franchise and Business	3,103,823	3,890,567	4,063,561	4,327,160	4,638,074	4,706,887	4,928,647	5,118,174	5,401,845	5,559,335
Interest Earnings	1,583,156	74,095	600,555	539,473	743,082	329,042	590,186	1,802,802	1,673,126	2,876,478
Other	6,822,671	8,252,592	13,172,704	8,556,333	8,608,044	9,095,222	11,137,388	11,215,512	11,876,931	12,575,903
Transfers	273,042,911	1,681,364	2,342,747	2,677,386	2,354,972	2,774,890	1,544,688	1,204,516	1,170,833	2,214,798
Gain (loss) on sale of assets	-	-	-	-	-	(34,554)	15,950	-	-	-
Total Government Activities	319,060,297	31,483,269	39,655,091	35,864,987	37,890,428	39,120,685	41,463,195	43,822,523	46,128,601	54,563,011
Business-Type Activities:										
Interest Earnings	400,199	268,315	129,786	440,462	665,412	325,437	373,857	1,719,235	1,826,709	423,675
Transfers	(7,720,043)	(1,681,364)	(2,342,747)	(2,677,386)	(2,354,972)	(2,774,890)	(1,544,688)	(1,204,516)	(1,170,833)	(2,214,798)
Gain (loss) on sale of assets	-	-	98,692	63,754	-	96,473	56,375	-	-	-
Total Business-Type Activities	(7,319,844)	(1,413,049)	(2,114,269)	(2,173,170)	(1,689,560)	(2,352,980)	(1,114,456)	514,719	655,876	(1,791,123)
Total Primary Government	$ 311,740,453	$ 30,070,220	$ 37,540,822	$ 33,691,817	$ 36,200,868	$ 36,767,705	$ 40,348,739	$ 44,337,242	$ 46,784,477	$ 52,771,888
Change in Net Position										
Governmental Activities	$ 278,126,409.00	$ (9,094,546.00)	$ 1,196,072.00	$ (16,856,378.00)	$ (13,623,846.00)	$ 60,645.00	$ (3,839,120)	$ 1,567,497	$ (6,623,864)	$ 9,549,729
Business-Type Activities	(2,242,203)	8,217,651	3,972,079	4,414,029	4,558,742	547,615	4,837,322	8,863,746	7,534,536	9,943,732
Total Primary Government	275,884,206	(876,895)	5,168,151	(12,442,349)	(9,065,104)	608,260	998,202	10,431,243	910,672	19,493,461
Prior Period Adjustment (See Note 9F)	-	-	-	(44,258,992)	-	-	(5,994,006)	-	-	1,171,619
Total Primary Government after adjustment	$ 275,884,206	$ (876,895)	$ 5,168,151	$ (56,701,341)	$ (9,065,104)	$ 608,260	$ (4,995,804)	$ 10,431,243	$ 910,672	$ 20,665,080

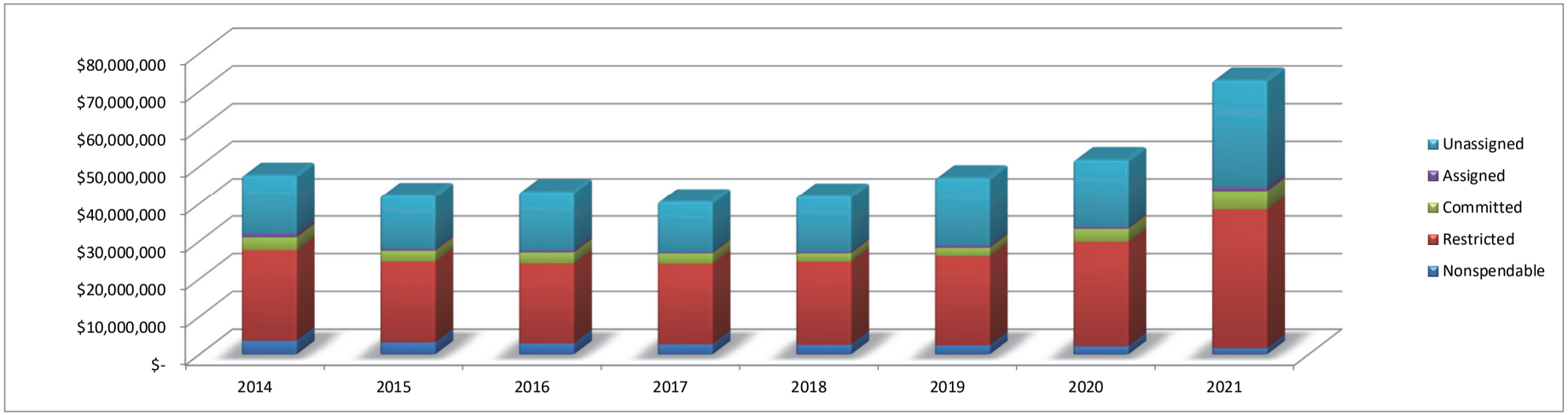
Due to the dissolution of Redevelopment Agency in Jan. 2012, trend information might be shrewd due to this one time event.
In FY 2014-15, implementation of GASB 68 & 71 resulted in prior period adjustments.
In FY 2017-18, implementation of GASB 75 resulted in prior period adjustments.
In FY 2020-21, due to Section 115 pension Trust account is reported as investments, resulted in a prior period adjustment

CITY OF PITTSBURG
Fund Balances of Governmental Funds
First Two Fiscal Years
(Modified Accrual Basis of Accounting)
(Pre GASB 54 Implementation)



	Fiscal Year Ended June 30,	
	2012	2013
General Fund		
Reserved	$ 2,560,294	$ 4,628,940
Unreserved	16,513,473	13,544,751
Total General Fund	19,073,767	18,173,691
All Other Governmental Funds		
Reserved	8,226,458	12,698,538
Unreserved, designated	15,609,271	12,867,496
Total all other governmental funds	23,835,729	25,566,034
Total Government Funds		
Reserved	10,786,752	17,327,478
Unreserved	32,122,744	26,412,247
Total Government Funds	$ 42,909,496	$ 43,739,725

CITY OF PITTSBURG
Fund Balances of Governmental Funds
Last Eight Fiscal Years
(Post GASB 54 FY2011 Implementation)



	Fiscal Year Ended June 30,							
	2014	2015	2016	2017	2018	2019	2020	2021
General Fund								
Nonspendable	$ 3,370,929	$ 2,904,078	$ 2,642,564	$ 2,410,696	$ 2,300,328	$ 2,031,396	$ 1,817,088	$ 1,302,864
Assigned	1,057,673	538,194	666,486	434,778	528,077	802,151	573,069	1,190,087
Unassigned	16,185,068	14,613,983	15,957,212	17,037,283	18,426,657	21,652,919	21,760,428	32,020,209
Total General Fund	20,613,670	18,056,255	19,266,262	19,882,757	21,255,062	24,486,466	24,150,585	34,513,160
All Other Governmental Funds								
Nonspendable	$ 294,491	$ 291,360	$ 272,138	$ 272,243	$ 263,123	$ 346,542	$ 336,049	$ 340,615
Restricted	23,930,077	21,381,490	21,194,534	21,316,430	21,977,238	23,662,705	27,658,803	36,773,335
Committed	3,399,608	2,875,776	2,877,225	2,756,478	2,240,940	2,161,973	3,473,472	4,939,883
Assigned	56,642	47,972	14,354	29,349	42,127	3,586	37,090	64,160
Unassigned	(706,698)	(486,548)	(455,164)	(3,745,132)	(3,740,451)	(3,755,741)	(3,909,750)	(3,781,016)
Total all other governmental funds	26,974,120	24,110,050	23,903,087	20,629,368	20,782,977	22,419,065	27,595,664	38,336,977
Total Government Funds								
Nonspendable	$ 3,665,420	$ 3,195,438	$ 2,914,702	$ 2,682,939	$ 2,563,451	$ 2,377,938	$ 2,153,137	$ 1,643,479
Restricted	23,930,077	21,381,490	21,194,534	21,316,430	21,977,238	23,662,705	27,658,803	36,773,335
Committed	3,399,608	2,875,776	2,877,225	2,756,478	2,240,940	2,161,973	3,473,472	4,939,883
Assigned	1,114,315	586,166	680,840	464,127	570,204	805,737	610,159	1,254,247
Unassigned	15,478,370	14,127,435	15,502,048	13,292,151	14,686,206	17,897,178	17,850,678	28,239,193
Total Fund Balances	$ 47,587,790	$ 42,166,305	$ 43,169,349	$ 40,512,125	$ 42,038,039	$ 46,905,531	$ 51,746,249	$ 72,850,137

See Note on Statistics Introduction Tab which explains the Jan 2012 RDA Dissolution by State of California

For additional detail on Fund Classifications, see Note 9 of Notes to Basic Financial Statements

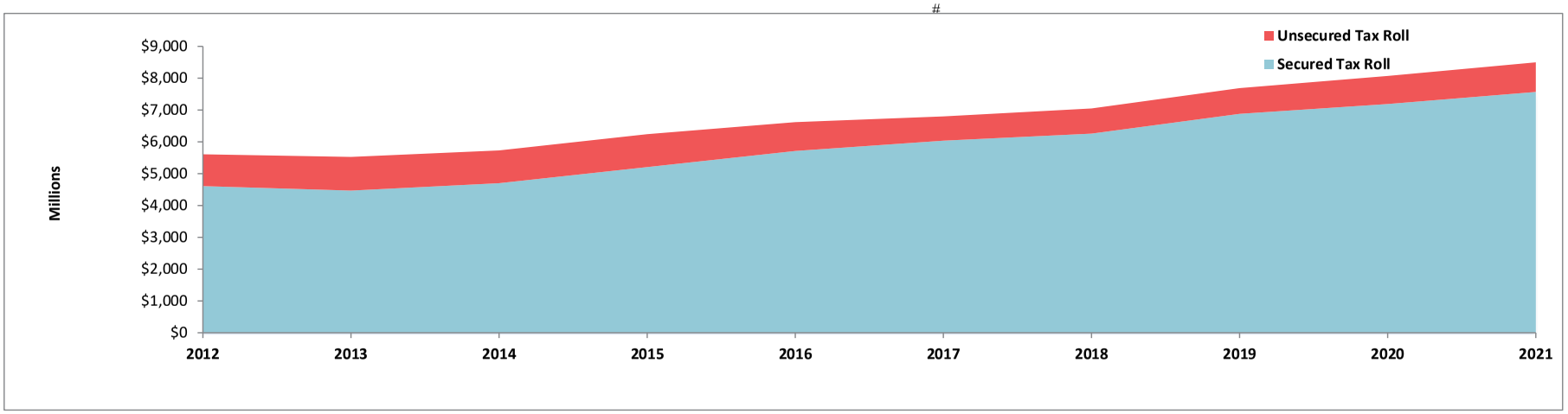
CITY OF PITTSBURG

Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

{in thousands}

	2012 *	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	$ 40,582	$ 29,727	$ 31,968	$ 32,648	$ 34,792	$ 31,624	$ 33,503	$ 34,437	$ 36,642	$ 42,390
Licenses, permits and fees	2,794	3,633	1,888	1,635	2,566	3,532	1,812	3,005	2,341	6,047
Fines and forfeitures	187	168	187	172	325	308	433	415	561	486
Use of money and property	1,689	61	615	542	743	329	590	1,670	1,600	2,871
Intergovernmental revenues	27,584	17,627	16,060	14,135	15,455	24,098	25,854	29,460	28,300	35,975
Charges for services	4,071	7,333	7,400	9,984	10,126	9,894	9,621	10,360	10,075	9,521
Other	7,557	3,484	3,432	3,027	4,019	3,957	4,907	7,570	4,459	7,544
Total Revenues	84,464	62,033	61,550	62,143	68,026	73,742	76,720	86,917	83,978	104,834
Expenditures										
Current:										
General government	12,496	3,869	5,454	8,217	6,740	7,321	6,298	6,157	7,771	6,033
Public safety	19,536	19,580	20,842	23,149	24,797	25,895	27,721	30,107	30,937	29,341
Public works	6,609	5,849	7,371	8,469	7,107	7,859	8,102	9,256	8,094	11,178
Community development	29,535	27,909	22,388	22,286	22,393	25,440	25,667	28,055	27,149	32,515
Culture and recreation	595	1,855	733	700	862	1,019	862	1,019	1,207	973
Capital outlay	4,901	1,446	813	3,474	2,738	6,600	3,429	3,959	1,078	1,060
Debt service:										
Principal repayment	11,485	375	450	589	2,016	2,083	2,155	2,227	2,308	2,391
Interest and fiscal charges	13,598	1,609	1,588	2,890	2,315	2,264	1,999	1,982	1,919	1,815
Total Expenditures	98,755	62,492	59,639	69,774	68,968	78,481	76,233	82,762	80,463	85,306
Excess (deficiency) of revenues over (under) expenditures	(14,291)	(459)	1,911	(7,631)	(942)	(4,739)	487	4,155	3,515	19,528
Other Financing Sources (Uses)										
Transfers in	45,327	7,235	5,084	6,547	6,814	6,875	6,830	8,477	9,579	9,904
Transfers (out)	(37,343)	(5,950)	(3,169)	(4,499)	(4,869)	(4,793)	(5,808)	(7,813)	(8,253)	(8,328)
Refunding tax allocation bonds	-	-	-	-	-	-	-	-	-	-
Tax allocation bonds issued	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	2,211	4	22	4	-	-	17	48	-	-
Total other financing sources (uses)	10,195	1,289	1,937	2,052	1,945	2,082	1,039	712	1,326	1,576
Net Change in fund balances before	$ (4,096)	$ 830	$ 3,848	$ (5,579)	$ 1,003	$ (2,657)	$ 1,526	$ 4,867	$ 4,841	$ 21,104
Extraordinary Items (Note 4)										
Assets Transferred to Housing Successor	$ (2,002)									
Liabilities Assumed by Successor Agency	(97,928)									
Net Change in Fund Balances	$ (104,026)									
Debt service as a percentage of noncapital expenditures	25.9%	3.3%	3.5%	5.2%	6.5%	6.0%	5.7%	5.3%	5.3%	5.0%

CITY OF PITTSBURG
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years



Fiscal Year	Secured Tax Roll			Unsecured Tax Roll	GROSS Tax Roll	LESS: Exemptions		NET Assessed Valuation ***	Total Direct Tax Rate ***
	Land	Improvements	Personal Property			HOPTR *	Others		
2012	1,199,342,285	$ 3,380,327,868	$ 29,398,082	$ 1,000,793,072	$ 5,609,861,307	$ 62,930,462	$ 163,259,839	$ 5,383,671,006	0.73307
2013	1,154,280,061	3,284,318,842	29,454,784	1,058,290,739	5,526,344,426	61,050,228	167,858,949	5,297,435,249	0.72809
2014	1,244,373,590	3,426,800,074	29,431,527	1,030,705,786	5,731,310,977	58,985,158	184,163,403	5,488,162,416	0.17411
2015	1,431,988,767	3,744,776,351	29,751,906	1,033,971,545	6,240,488,569	57,725,918	187,268,875	5,995,493,776	0.14854 **
2016	1,596,856,457	4,088,152,986	28,100,163	905,755,131	6,618,864,737	57,212,685	195,920,004	6,365,732,048	0.15020
2017	1,734,578,352	4,271,018,852	31,382,377	763,128,074	6,800,107,655	56,350,900	203,066,563	6,540,690,192	0.15142
2018	1,912,263,271	4,316,648,943	30,152,799	789,812,811	7,048,877,824	55,968,158	206,618,682	6,786,290,984	0.15305
2019	2,097,264,749	4,752,331,104	29,396,436	808,915,163	7,687,907,452	55,103,121	206,894,237	7,425,910,094	0.15419
2020	2,244,198,055	4,919,701,883	24,764,994	882,038,216	8,070,703,148	54,749,068	291,513,686	7,724,440,394	0.15451
2021	2,430,265,323	5,114,403,543	23,294,582	931,043,622	8,499,007,070	54,039,947	293,711,372	8,151,255,751	0.15778

* Homeowners' Property Tax Relief

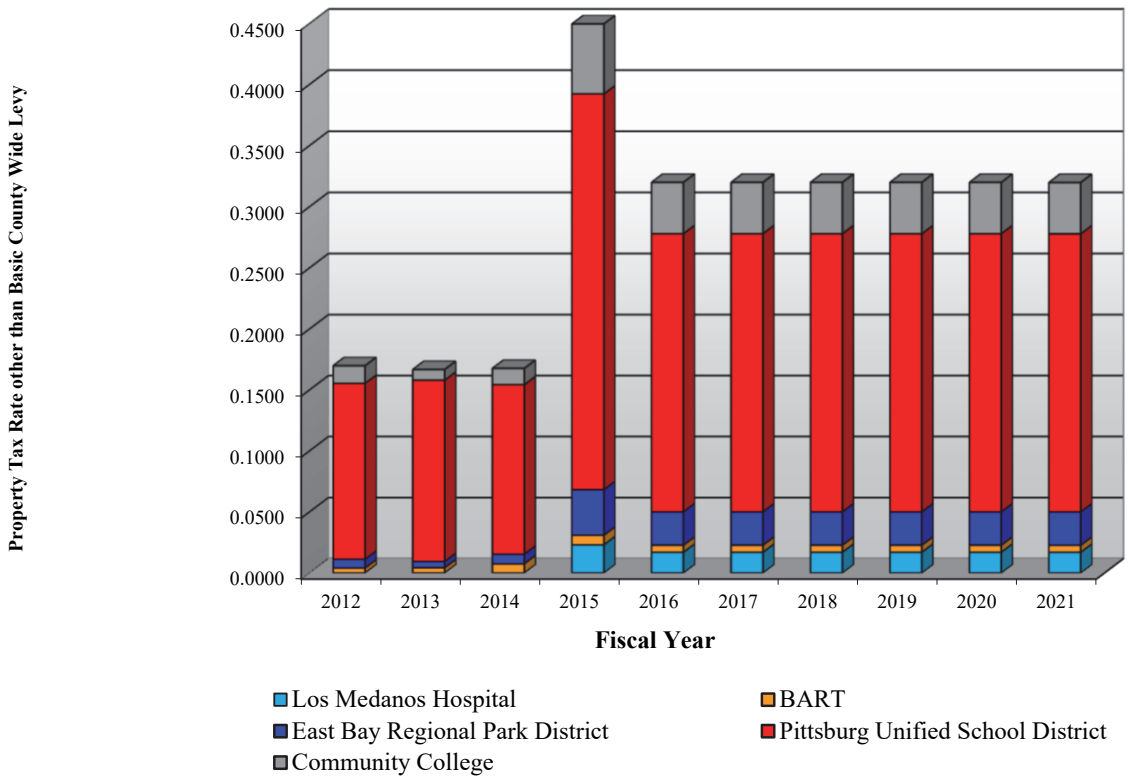
* Direct Tax Rate for FY 14-15 has been updated to reflect the AB8 adjustment for the first time on 2014-15 tax roll after CAFR was issued.

** The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

*** California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. Beginning in 2013/14 the total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Source: Contra Costa County Auditor Controller Office Certificate of Assessed Valuations

CITY OF PITTSBURG
Property Tax Rates
All Overlapping Governments
Last Ten Fiscal Years



Fiscal Year	Basic County Wide Levy	Pittsburg Direct Rate*	Los Medanos Hospital	Bay Area Rapid Transit	East Bay Regional Park District	Pittsburg Unified School District	Community College	Total
2012	1.0000	0.73307	0.0000	0.0041	0.0071	0.1443	0.0144	1.8989
2013	1.0000	0.72809	0.0000	0.0043	0.0051	0.1487	0.0087	1.8906
2014	1.0000	0.17411	0.0000	0.0075	0.0078	0.1391	0.0133	1.3343
2015	1.0000	0.14854	0.0231	0.0079	0.0373	0.3241	0.0572	1.5902
2016	1.0000	0.15020	0.0170	0.0058	0.0273	0.2280	0.0419	1.4644
2017	1.0000	0.15142	0.0170	0.0058	0.0273	0.2280	0.0419	1.4656
2018	1.0000	0.15142	0.0170	0.0058	0.0273	0.2280	0.0419	1.4656
2019	1.0000	0.15142	0.0170	0.0058	0.0273	0.2280	0.0419	1.4656
2020	1.0000	0.15142	0.0170	0.0058	0.0273	0.2280	0.0419	1.4656
2021	1.0000	0.15778	0.0170	0.0058	0.0273	0.2280	0.0419	1.4719

* Pittsburg Direct Rate = the weighted average of City's Share of 1% levy & Redevelopment Rate
Source: Contra Costa County Assessors Office & HdL Coren & Cone

CITY OF PITTSBURG
Principal Property Tax Payers
Current Year and Nine Years Ago

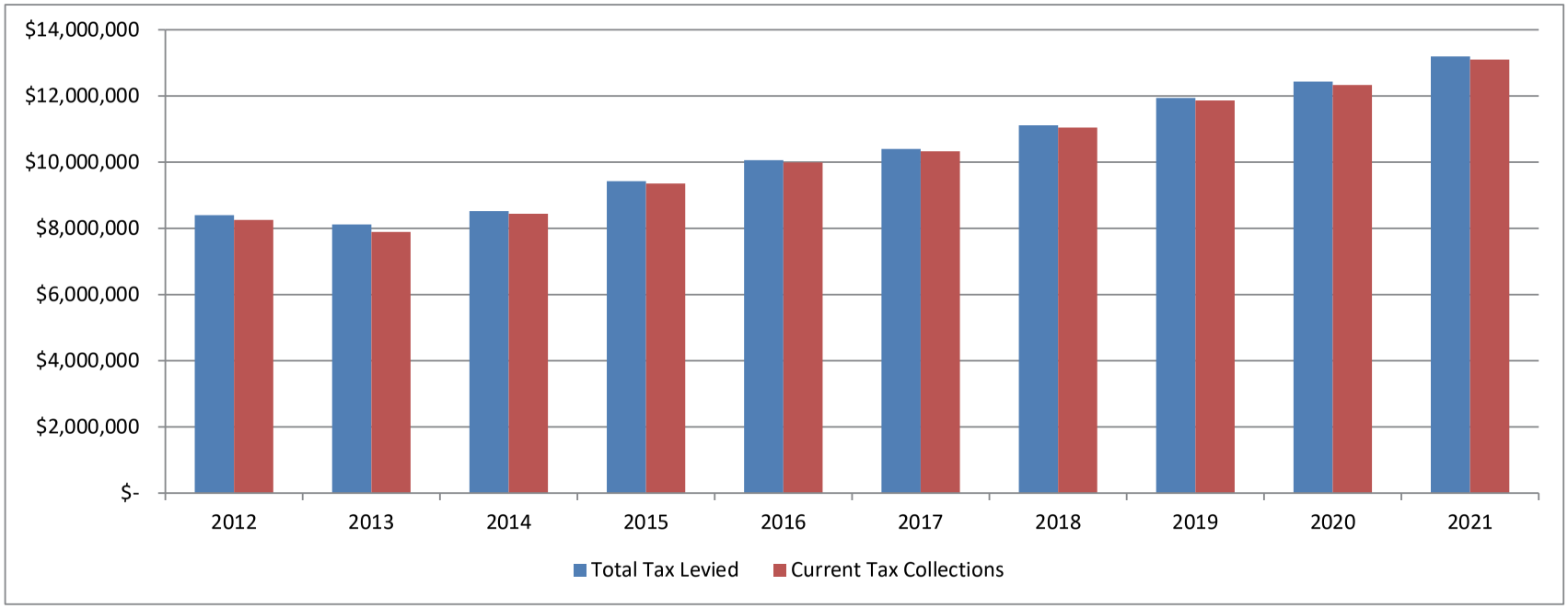
	2020-21			2011-12		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
Dow Agrosciences LLC	$ 247,076,694	1	3.01%	$ 168,944,052	4	3.10%
USS - Posco Industries	229,277,695	2	2.79%	271,186,770	3	4.98%
Calpine Corporation	196,200,000	3	2.39%	351,212,000	2	6.45%
K2 Pure Sol NorCal Leased	165,283,110	4	2.01%	59,080,786	9	1.08%
Delta Energy Center	140,000,000	5	1.71%	424,100,000	1	7.79%
KW Kirker Creek LLC	108,450,264	6	1.32%	54,635,188	10	1.00%
Dow Chemical Company	96,952,826	7	1.18%	123,580,010	6	2.27%
Sierra Pacific Properties	95,291,943	8	1.16%	97,599,076	7	1.79%
San Marco Properties LLC	84,914,318	9	1.03%	-		0.00%
Douglas Products and PCKG Company LLC	60,619,152	10	0.74%	-		0.00%
United Spiral LLC	-		0.00%	139,013,504	5	2.55%
Century Plaza Corporation	-		-	72,340,626	8	1.33%
K2 Pure Solutions	-		-	-		0.00%
	-		-	-		0.00%
	-		-	-		0.00%
Subtotal	$ 1,424,066,002		17.36%	$ 1,761,692,012		24.26%

Total Net Assessed Valuation:

Fiscal Year 2020-21	$8,205,295,698
Fiscal Year 2011-12	$5,446,684,711

Source: HdL Coren & Cone

CITY OF PITTSBURG
Property Tax Levies and Collections June 30
Last Ten Fiscal Years



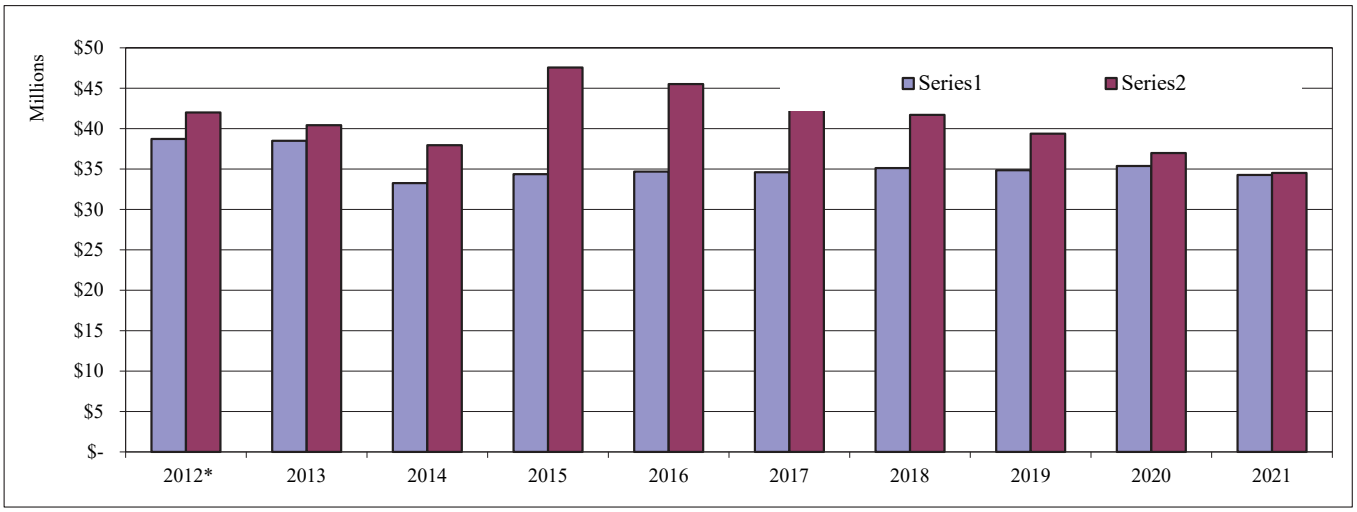
Fiscal Year	Total Tax Levied	Current Tax Collections	Percent of Levy County Collected *	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Amount Delinquent	Percent % Delinquent
2012	$ 8,399,298	$ 8,255,063	98.28%	$ 8,255,063	98.28%	$ 144,235	1.72%
2013	8,119,308	7,891,110	97.19%	7,891,110	97.19%	228,198	2.81%
2014	8,520,700	8,441,966	99.08%	8,441,966	99.08%	78,734	0.92%
2015	9,425,580	9,353,530	99.24%	9,353,530	99.24%	72,050	0.76%
2016	10,060,215	9,991,126	99.31%	9,991,126	99.31%	72,008	0.72%
2017	10,398,911	10,327,316	99.31%	10,327,316	99.31%	71,496	0.69%
2018	11,112,284	11,044,802	99.39%	11,044,802	99.39%	67,482	0.61%
2019	11,939,625	11,862,801	99.36%	11,862,801	99.36%	76,824	0.64%
2020	12,432,680	12,331,075	99.18%	12,331,075	99.18%	101,605	0.82%
2021	13,194,874	13,100,993	99.29%	13,100,993	99.29%	93,881	0.71%

* The County provides the City 100% of its tax levy under the "Teeter Plan", an agreement which allows the County to keep all interest and delinquency charges collected.

Source: CCC Auditor-Controller (Procedure 10-147)

CITY OF PITTSBURG

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

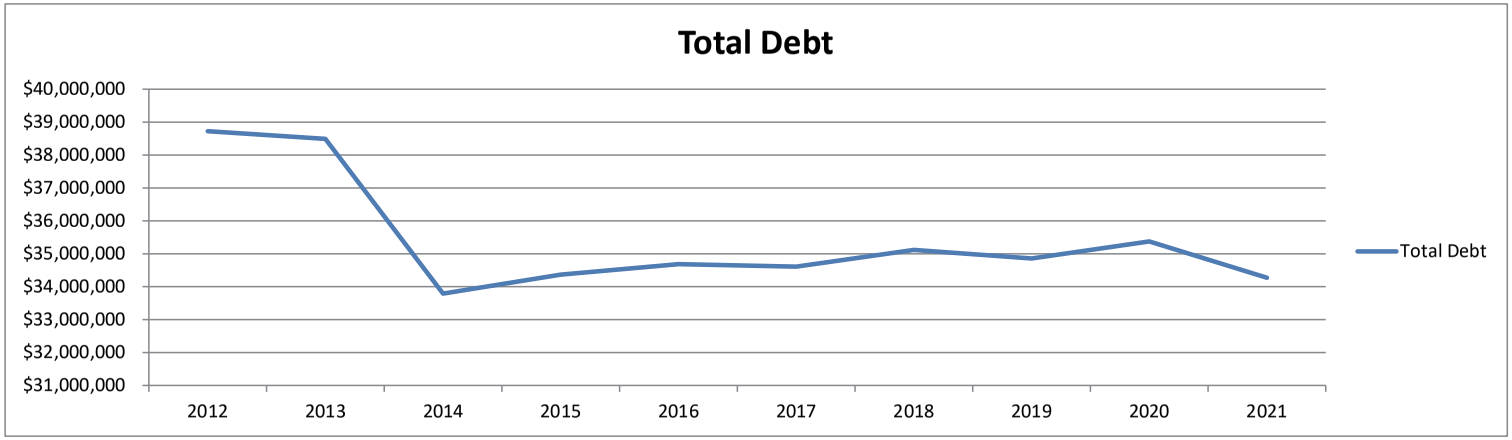


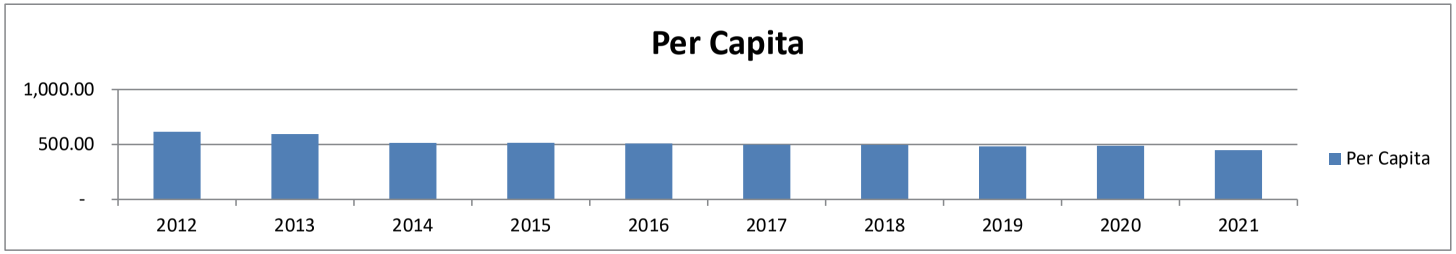
Fiscal Year	Governmental Activities: Successor Agency Bonds	Governmental Activities: Pension Obligation Bonds	Governmental Activities: City Loans/ Capital Leases	Governmental Activities: Total
2012*	$ -	$ 38,726,056	$ -	$ 38,726,056
2013	-	38,351,056	139,171	38,490,227
2014	-	33,157,051	105,815	33,262,866
2015	-	33,826,975	538,686	34,365,661
2016	-	34,036,850	646,382	34,683,232
2017	-	34,104,558	504,189	34,608,747
2018	-	34,030,018	1,089,735	35,119,753
2019	-	33,260,642	1,595,000	34,855,642
2020	-	33,422,178	1,955,024	35,377,202
2021	-	32,872,243	1,399,669	34,271,912

Fiscal Year	Business-Type Activities: Water Revenue Bonds	Business-Type Activities: Sewer Revenue Bonds **	Business-Type Activities: I-Bank Loan	Business-Type Activities: Total	Total Primary Government	Percentage of Personal Income ***	Per Capita ***
2012	$ 34,580,000	$ 7,420,000	$ -	$ 42,000,000	$ 80,726,056	5.89%	1,248
2013	33,620,000	6,800,000	-	40,420,000	78,910,227	5.41%	1,202
2014	32,610,000	5,342,000	-	37,952,000	71,214,866	4.87%	1,068
2015	31,575,000	4,601,000	11,387,398	47,563,398	81,929,059	5.29%	1,202
2016	30,485,000	3,864,000	11,167,171	45,516,171	80,199,403	5.23%	1,155
2017	29,605,000	3,111,000	10,939,216	43,655,216	78,263,963	4.92%	1,107
2018	28,650,000	2,350,000	10,703,258	41,703,258	76,823,011	4.56%	1,065
2019	27,335,000	1,578,000	10,459,018	39,372,018	74,227,660	3.99%	1,025
2020	25,975,000	796,000	10,206,206	36,977,206	72,354,408	3.63%	997
2021	24,570,000	-	9,944,520	34,514,520	68,786,432	3.21%	900

Note : Debt amounts exclude any premiums, discounts, or other amortization amounts.
*With the dissolution of RDA in January 2012, the debts related to Former RDA moved to Successor Agency
**Sewer Revenue Bond was fully defeased as of June 30, 2014. It has been replaced with a private placement debt.
*** See Schedule of Demographic and Economic Statistics for personal income and population data. FY2012-2020 numbers corrected for Personal Income and Capita
Please refer to Note 7 for further information.
Sources: City of Pittsburg
State of California, Department of Finance (population)
U.S. Department of commerce, Bureau of the Census (income)

CITY OF PITTSBURG
Ratio of General Government Debt Outstanding
Last Ten Fiscal Years*





Fiscal Year	General Government Debt Outstanding: POB Bonds *	Capital Lease Street Sweeper	CEC Energy	PG&E Energy Efficient Retrofit	Capital Lease VOIP System	Capital Lease Fleet Vehicles/Street Sweeper	Capital Lease Fleet Equipment	Capital Lease Vehicles/Equipment	Total Debt	Percentage of Total Gross Revenue		Per Capita	Debt Per Assessed Value
2012	$ 38,726,056	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 38,726,056	45.85%		615.90	0.72%
2013	38,351,056	139,171	-	-	-	-	-	-	38,490,227	62.05%		595.27	0.73%
2014	33,157,051	105,815	526,313	-	-	-	-	-	33,789,179	54.90%		514.58	0.62%
2015	33,826,975	71,520	467,166	-	-	-	-	-	34,365,661	55.30%		515.27	0.57%
2016	34,036,850	240,114	406,268	-	-	-	-	-	34,683,232	50.99%		509.00	0.54%
2017	34,104,558	160,696	343,493	-	-	-	-	-	34,608,747	47.63%	**	498.51	0.53%
2018	34,030,018	116,339	278,821	209,740	484,835	-	-	-	35,119,753	45.43%	**	496.89	0.52%
2019	33,260,642	70,754	212,194	188,411	363,626	498,647	261,368	-	34,855,642	40.10%		483.16	0.47%
2020	33,422,178	23,907	143,568	167,085	242,417	395,018	212,954	770,075	35,377,202	40.70%		488.39	0.46%
2021	32,872,243	-	72,853	145,756	121,208	287,415	162,683	609,754	34,271,912	32.69%		448.49	0.42%

* 'The 2006 Pension Obligation Bonds (POB) includes the accreted amount of Capital Appreciation Bonds.
** FY 17 and 18 percent rates restated to reflect the correct revenue.

CITY OF PITTSBURG

Computation of Direct and Overlapping Debt

June 30, 2021

2020-21 Assessed Valuation (2) $2,720,656,829

Direct Debt	Total Debt Outstanding 6/30/2021	Percentage Applicable To City of Pittsburg (1)	Amount Applicable To City of Pittsburg
2006 PENSION OBLIGATION BONDS	$ 32,872,243	100.000%	$ 32,872,243
CAPITAL LEASES-STREET SWEEPER/VOIP/FLEET VEHICLES	1,253,913	100.000%	1,253,913
ENERGY EFFICIENT LOANS	145,756	100.000%	145,756
Sub-total Direct Debt			34,271,912
Overlapping Debt			
CCC PENSION OBLIGATION BOND	44,925,000	3.624%	1,628,165
CCC PFA 1998A LRB	6,435,000	3.624%	233,216
CCC PFA 1999A LRB	6,310,000	3.624%	228,686
CCC PFA 2002A LRB	4,065,000	3.624%	147,323
CCC PFA 2003A LRB	3,445,000	3.624%	124,853
CCC PFA 2007A LRB	61,030,000	3.624%	2,211,840
CCC PFA 2009A LRB	6,407,008	3.624%	232,202
CCC PFA 2010A-2 LRB	11,995,000	3.624%	434,721
CCC PFA 2010A-3 LRB	20,700,000	3.624%	750,206
CCC PFA 2010B LRB	6,055,000	3.624%	219,444
CCC PFA 2012 LRB	6,212,865	3.624%	225,166
CCC PFA 2015 A&B LRB	37,900,000	3.624%	1,373,566
CCC PFA 2017A LRB	42,320,000	3.624%	1,533,755
CCC PFA 2017B LRB	76,930,000	3.624%	2,788,086
CONTRA COSTA FIRE	26,670,000	7.854%	2,094,676
BART BOND	328,172,932	3.624%	11,893,595
EAST BAY PARK BONDS	125,395,149	3.624%	4,544,552
ANTIOCH USD SFID 1	65,392,208	3.457%	2,260,668
ANTIOCH USD SFID 1 2012	52,465,000	3.457%	1,813,763
MT DIABLO 2002 BOND	244,095,000	4.011%	9,789,797
MT DIABLO 2010 BOND	269,216,615	4.011%	10,797,337
MT DIABLO 2018 BOND	14,538,000	4.011%	583,068
PITTSBURG UNIFIED 1995 BOND	8,305,000	98.760%	8,202,024
PITTSBURG UNIFIED 2004 BOND	54,500,000	98.760%	53,824,240
PITTSBURG UNIFIED 2006 BOND	145,280,000	98.760%	143,478,634
PITTSBURG UNIFIED 2010 BOND	151,533,211	98.760%	149,654,310
PITTSBURG UNIFIED 2014 BOND	78,830,000	98.760%	77,852,565
PITTSBURG UNIFIED 2018 BOND	22,319,178	98.760%	22,042,436
CONTRA COSTA COMMUNITY COLLEGE 2002 BOND	311,230,151	3.636%	11,317,428
CONTRA COSTA COMMUNITY COLLEGE 2004 BOND	354,509,849	3.636%	12,891,231
CONTRA COSTA COMMUNITY COLLEGE 2014 BOND	274,130,000	3.636%	9,968,335
Sub-Total Overlapping Debt			545,139,888
Total Direct and Overlapping Debt			$ 579,411,800

DEBT TO ASSESSED VALUATION RATIOS	
Direct Debt	1.26%
Overlapping Debt	20.04%
Total Debt	21.30%

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

(2) Net of $5,148,312,362 Redevelopment Incremental Valuation

Source: HdL Coren & Cone, Contra Costa County Assessor and Auditor combined 2020/21 Lien Date Tax Rolls

CITY OF PITTSBURG
Computation of Legal Bonded Debt Margin
June 30, 2021

ASSESSED VALUATION:		
Secured property assessed value, net of exempt real property (a)	$2,720,656,829	
BONDED DEBT LIMIT (15% OF ASSESSED VALUE) (a)		$408,098,524
AMOUNT OF DEBT SUBJECT TO LIMIT:		
Total Bonded Debt (b)	$57,442,243	
Less:		
Revenue Bonds	24,570,000	
		32,872,243
LEGAL BONDED DEBT MARGIN		$375,226,281

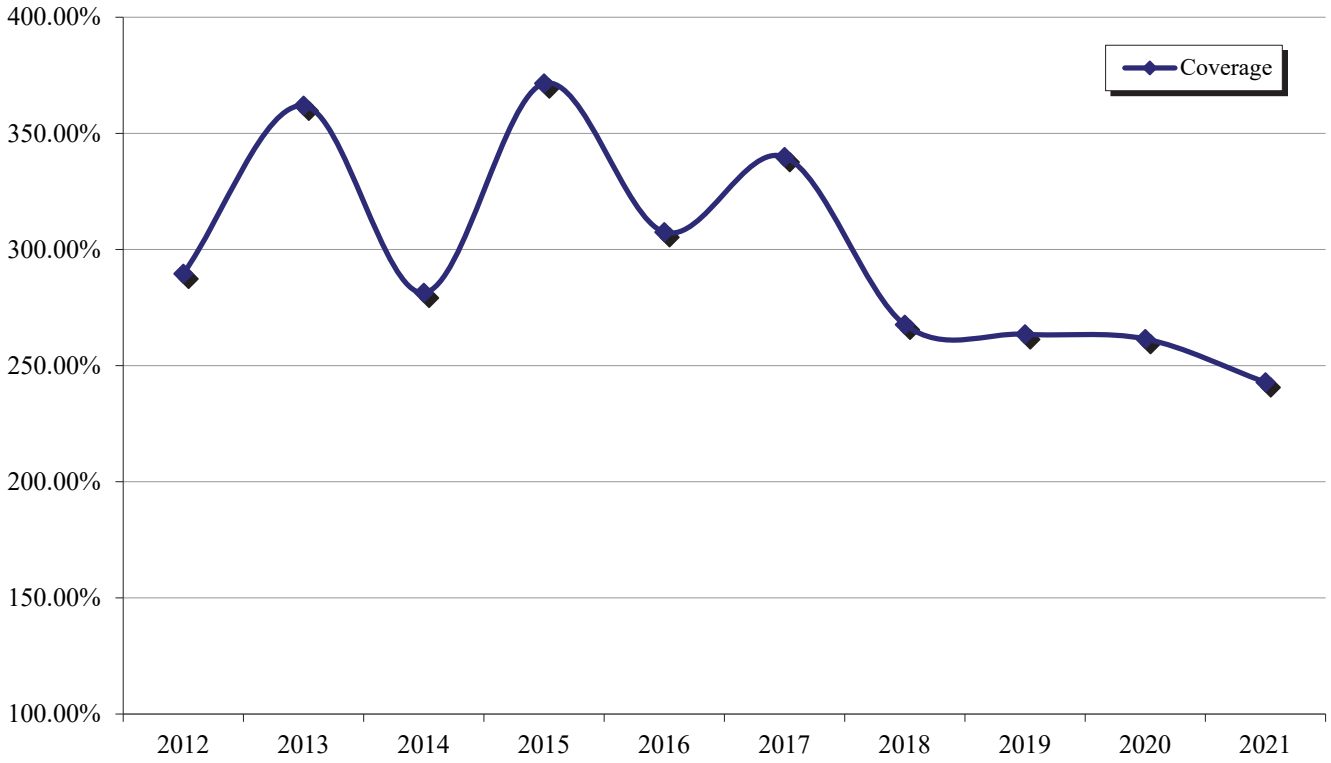
Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2011	$ 274,840,138	$ 39,026,056	$ 235,814,082	16.55%
2012	269,782,861	38,726,056	231,056,805	16.76%
2013	264,754,003	38,351,056	226,402,947	16.94%
2014	291,468,534	33,157,051	258,311,483	12.84%
2015	320,762,569	33,826,975	286,935,594	11.79%
2016	335,737,855	34,036,850	301,701,005	11.28%
2017	340,711,533	34,104,558	306,606,975	11.12%
2018	361,299,502	34,030,018	327,269,484	10.40%
2019	381,350,504	33,260,642	348,089,862	9.56%
2020	394,631,565	33,422,178	361,209,387	9.25%
2021	408,098,524	32,872,243	375,226,281	8.76%

Source: City Finance Department

(a) California Government Code Section 43605 sets the limit at 15%.

(b) Upon the dissolution of the Redevelopment Agency - City of Pittsburg effective January 31, 2012, a Successor Agency assumed the liabilities of the former Redevelopment Agency, therefore the total bonded debt and revenue bonds have decreased in all years for comparative purposes.

CITY OF PITTSBURG
Revenue Bond Coverage
Wastewater Revenue Bonds



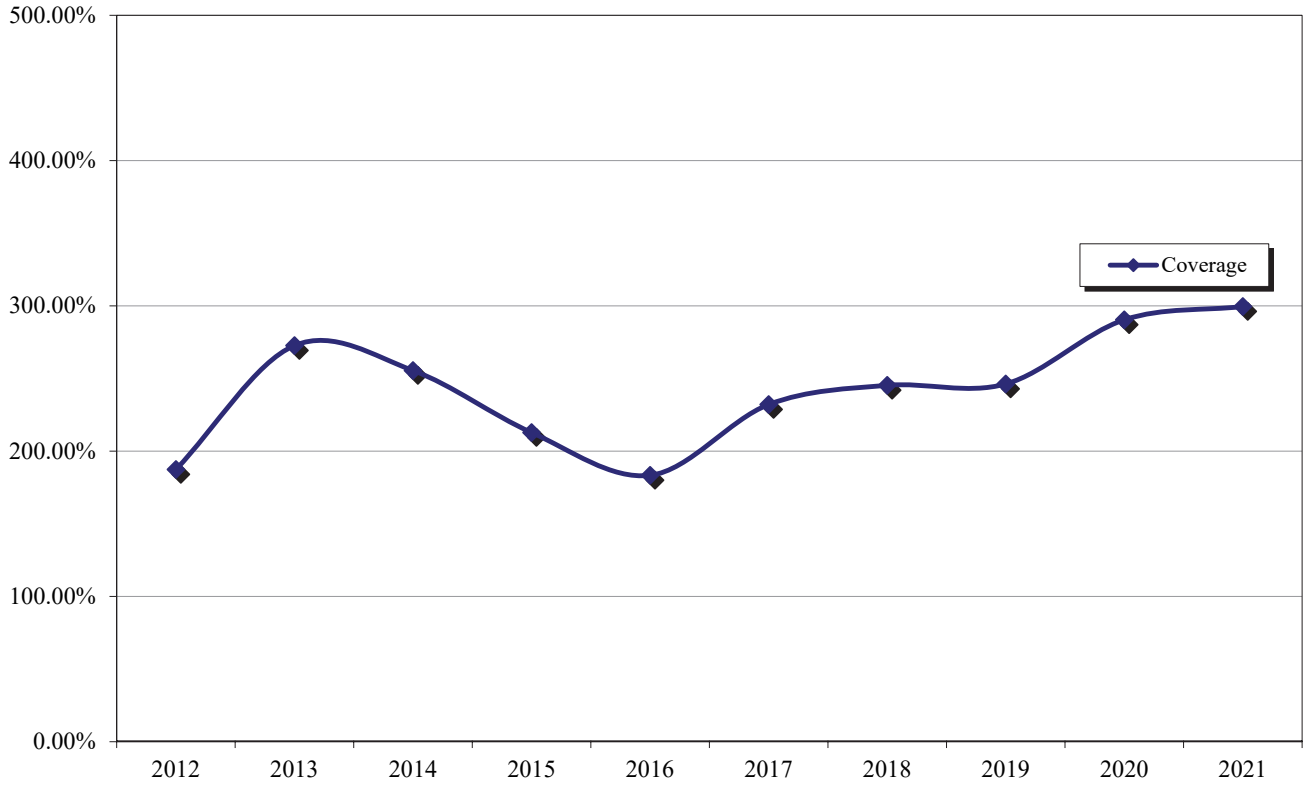
Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest *	Total	
2012	$ 4,651,016	$ 1,971,734	$ 2,679,282	$ 605,000	$ 320,198	$ 925,198	2.90
2013	5,111,678	1,799,354	3,312,324	620,000	295,207	915,207	3.62
2014	4,917,728	1,992,182	2,925,546	640,000	399,786	1,039,786	2.81
2015	5,022,745	1,965,165	3,057,580	741,000	81,986	822,986	3.72
2016	5,024,185	2,547,410	2,476,775	737,000	68,464	805,464	3.07
2017	5,107,869	2,355,218	2,752,651	753,000	56,986	809,986	3.40
2018	5,168,294	3,011,303	2,156,991	761,000	44,922	805,922	2.68
2019	4,939,327	2,817,905	2,121,422	772,000	33,112	805,112	2.63
2020	4,950,030	2,851,197	2,098,833	782,000	20,657	802,657	2.61
2021	4,938,929	2,984,575	1,954,354	796,000	8,808	804,808	2.43

* Interest is lowered due to the refunding of the 2004 Wastewater Bond (per Resolution 14-0270 dated 6/6/14). The City executed a private Installment Sale Agreement with Bank of the West for a lower interest rate of 1.55% per annum.

Note: Coverage requirements of a least 1.20 times higher than debt service for any fiscal year.

Source: City of Pittsburg Annual Financial Statements as analyzed by Finance Division Revenue Manager

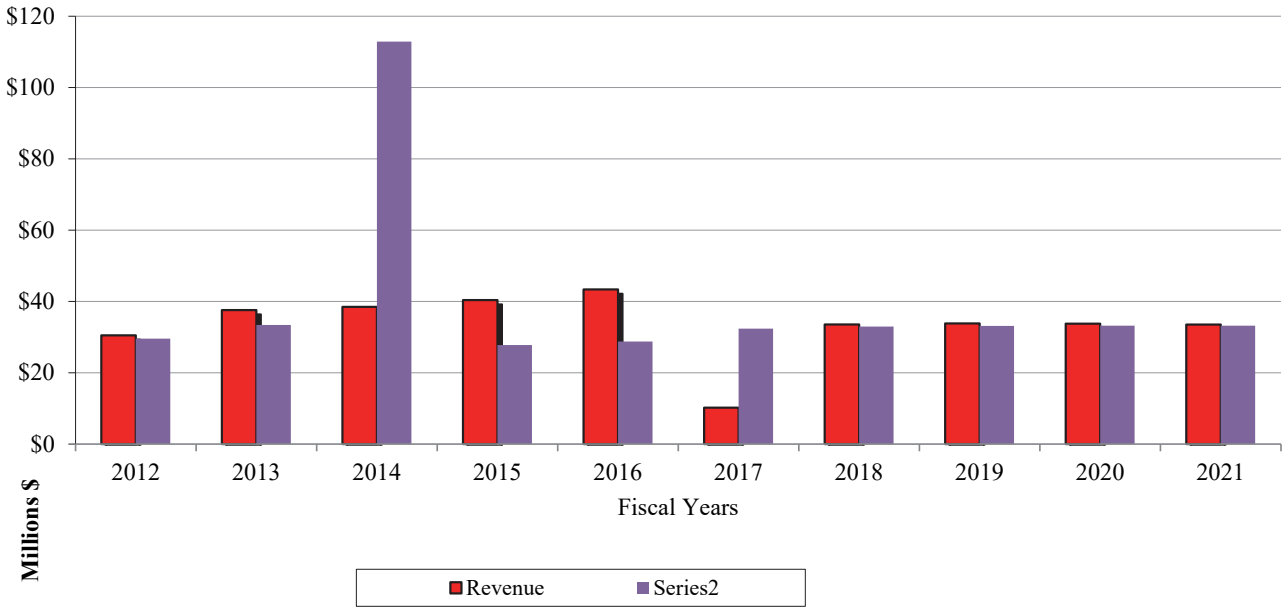
CITY OF PITTSBURG
Revenue Bond Coverage
2016 (Refunded 1997, 2005, and 2008) Water Revenue Bonds



Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2012	$ 17,149,663	$ 12,120,679	$ 5,028,984	$ 910,000	$ 1,773,709	$ 2,683,709	1.87
2013	19,205,915	12,279,325	6,926,590	960,000	1,580,278	2,540,278	2.73
2014	18,991,247	12,777,146	6,214,101	1,010,000	1,421,992	2,431,992	2.56
2015	18,272,979	12,379,283	5,893,696	1,035,000	1,734,374	2,769,374	2.13
2016	18,592,332	13,088,660	5,503,672	1,310,226	1,691,311	3,001,537	1.83
2017	19,331,187	12,933,557	6,397,630	1,472,956	1,283,708	2,756,664	2.32
2018	21,519,127	14,547,037	6,972,090	1,190,958	1,651,243	2,842,201	2.45
2019	23,369,888	15,605,367	7,764,521	1,559,240	1,594,020	3,153,260	2.46
2020	25,551,818	16,431,138	9,120,680	1,612,812	1,527,793	3,140,605	2.90
2021	26,935,506	17,482,817	9,452,689	1,666,686	1,489,069	3,155,755	3.00

Note: This schedule has been modified to reconcile to the Revenue Manager's analysis for annual Bond Disclosures.
Source: City of Pittsburg Annual Financial Statements as Analyzed by the Finance Division Revenue Manager

CITY OF PITTSBURG
Successor Agency Bonded Debt Pledged Revenue Coverage
Tax Allocation Bonds
Last Ten Fiscal Years



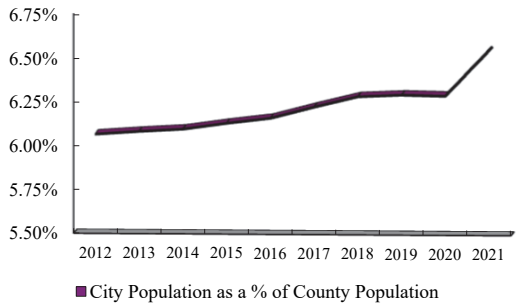
Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2012	$ 30,497,707	$ 11,185,000	$ 18,391,950	$ 29,576,950	1.03
2013	37,580,423	15,595,000	17,812,924	33,407,924	1.12
2014	38,486,428	93,635,000	* 19,250,447	112,885,447	0.34
2015	40,387,530	13,355,000	** 14,415,839	27,770,839	1.45
2016	43,371,250	16,655,000	12,113,046	28,768,046	1.51
2017	10,218,501	20,250,000	12,125,192	32,375,192	0.32
2018	33,553,848	21,310,000	11,652,527	32,962,527	1.02
2019	33,840,468	22,350,000	10,795,387	33,145,387	1.02
2020	33,758,927	23,365,000	9,853,554	33,218,554	1.02
2021	33,512,215	24,270,000	8,944,331	33,214,331	1.01

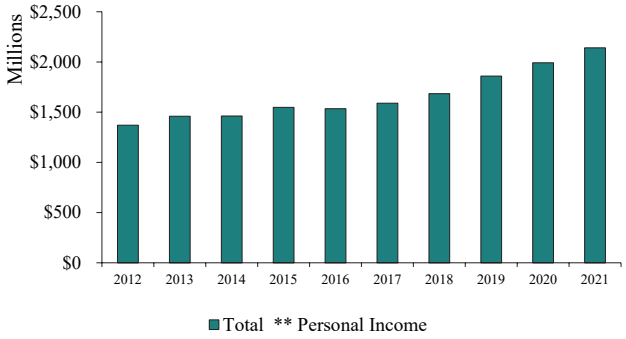
* The 2014 Tax Allocation Refunding Bond was issued to fully refunded 2003A Bonds and partly refund the 1999 CIP portion. Refer to Note 14 for additional information on refunding.
The 2016 Refunding Bond was excluded for trending purpose

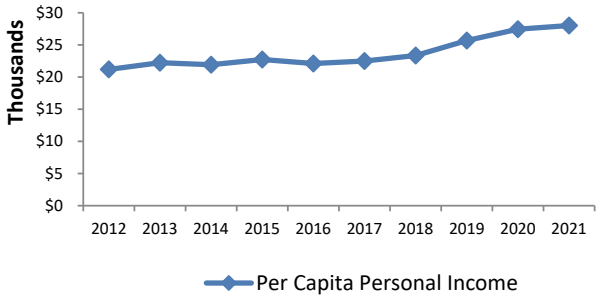
** The interest amount excludes the Letter of Credit fees and costs associated with 2016 bond refunding

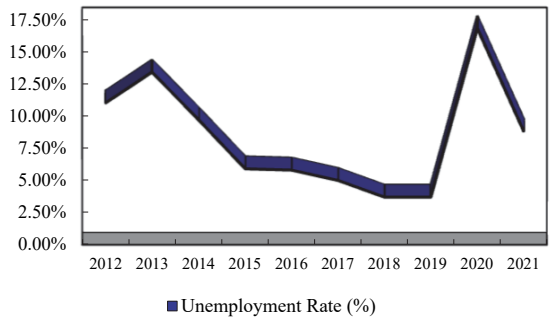
Source: City of Pittsburg Annual Financial Statements

CITY OF PITTSBURG
Demographic and Economic Statistics
Last Ten Fiscal Years









Fiscal Year	City * Population	Total ** Personal Income	Per Capita Personal Income	Unemployment*** Rate (%)	Contra Costa * County Population	Pittsburg Population % of County
2012	64,660	$ 1,370,214,000	$ 21,191	11.0%	1,066,096	6.07%
2013	65,664	1,459,608,000	22,228	13.4%	1,079,597	6.08%
2014	66,695	1,461,822,000	21,918	9.7%	1,094,000	6.10%
2015	68,140	1,548,229,000	22,721	5.9%	1,111,339	6.13%
2016	69,424	1,534,225,000	22,099	5.8%	1,126,745	6.16%
2017	70,679	1,589,374,000	22,487	5.0%	1,135,127	6.23%
2018	72,141	1,684,104,000	23,345	3.7%	1,147,439	6.29%
2019	72,437	1,859,890,000	25,676	3.7%	1,150,215	6.30%
2020	72,588	1,991,949,000	27,442	16.8%	1,153,526	6.29%
2021	76,416	2,140,660,000	28,013	8.8%	1,165,927	6.55%

Source: * www.uscensusbureau.com
** from HdL Coren Report
*** www. homefacts.com

CITY OF PITTSBURG

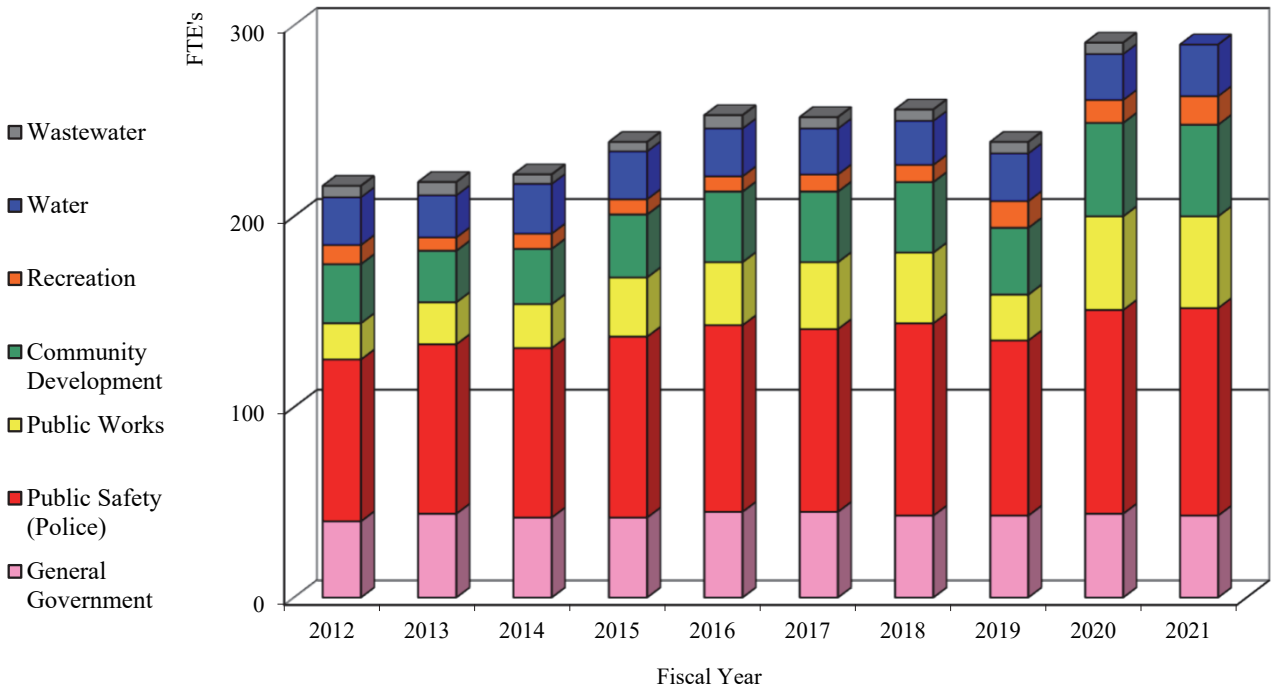
Principal Employers
Current Year and Nine Years Ago

Employer	2020-21 * Number of Employees	Rank	Percentage of Total City Employment	2011-12 ** Number of Employees	Rank	Percentage of Total City Employment
Pittsburg Unified School District	1,274	1	3.7%	965	1	2.8%
Los Medanos Community College	719	2	2.1%	640	3	1.9%
USS - Posco Industries	634	3	1.8%	700	2	2.0%
Dow Chemical Company	370	4	1.1%	400	4	1.2%
Ramar Foods	187	7	0.5%	220	7	0.6%
City of Pittsburg	267	5	0.8%	215	6	0.6%
Walmart	250	6	0.7%	220	7	0.6%
Home Depot	133	11	0.4%	-	-	-
WinCo Foods	145	10	0.4%	200	8.00	-
BioZone	55	14	0.2%	-	-	-
Mi Pueblo Foods	-	-	-	250	5	0.7%
Target	163	9	0.5%	-	-	0.0%
Safeway	117	12	0.3%	-	-	0.0%
Redwood Painting	104	13	0.3%	-	-	0.0%
Angelica Corporation (Laundry)	180	8	0.5%	220.00	7.00	0.6%
Subtotal	4,598		13.3%	4,030		11.7%
Employees in the City of Pittsburg	34,525 ***			34,525 **		

Source: * Telephone Survey by Finance Staff
**2011-12 data from CAFR
*** www.americanfactfinder.com

CITY OF PITTSBURG

Actual Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years



Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	40	44	42	42	45	45	43	46	44	43
Public Safety (Police)	85	89	89	95	98	96	101	109	107	109
Public Works	19	22	23	31	33	35	37	35	49	48
Community Development	31	27	29	33	37	37	37	37	49	48
Recreation	10	7	8	8	8	9	9	9	12	15
Water	25	22	26	25	25	24	23	21	24	27
Wastewater	6	7	5	5	7	6	6	7	6	10
Total	216	218	222	239	253	252	256	264	291	300

Source: City of Pittsburg

CITY OF PITTSBURG

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015
Public safety:				
Police:				
*** Police calls for Service	66,145	67,349	77,569	76,346
Law violations:				
*** Part I and Part II crimes	7,622	7,081	7,725	7,729
*** Physical arrests (adult and juvenile)	4,033	3,269	3,225	3,287
*** Traffic violations (VC14601 & VC12500)	1,732	1,175	920	1,032
(Fire Protection is Contra Costa County)				
Public works				
Street Re-surfacing (Miles)		14.26	13.41	1.55
Streets Repaired (square feet)	84,001	82,314	24,404	46,905
Recreation Services:				
**** * Aquatic Participants	264	1,980	2,320	3,100
Sport Participants	2,300	580	850	731
Small World Park Gate Attendance	19,783	24,732	25,780	28,420
Senior Services Participants	13,786	14,980 **	19,339 **	22,423
Water				
Number of Meters Served	17,444	17,664	17,880	18,094
Water Main Breaks	60	50	59	71
Average Daily Consumption (millions of gallons)	8.5	9.1	8.2	7.8
Wastewater				
Miles of Sewer Line (Excluding line operated by Delta Diablo District 7-A)	172	175	177	171
Solid Waste				
Refuse Landfilled (tons per year)	46,892	52,722	53,753	51,564
Recyclables Processed (tons per year)	37,784	42,213	44,213	39,313

*Leisure Services Data not Available due to City Reorganization and Early Retirement.
** FY 2013 & FY 2014 Number corrected. Prior CAFR reported number of classes, updated to reflect number of Participants.
*** FY 2016 Numbers corrected.
**** All numbers restated to calendar years to be in line with the DOJ - FBI Uniform Crime Report publication.
**** *

Source: City of Pittsburg Divisions & Prior Year CAFR's

2016	2017	2018	2019	2020	2021
72,426	80,631	80,133	87,517	75,865	-
7,286	7,663	7,778	8,579	6,046	-
2,805	3,329	2,808	4,127	2,382	-
706	1,193	908	1,754	1,339.00	-
0.80	0	0.97	0.25	0.25	1.50
52,503	44,795	48,305	40,028	70,890	60,514
1,600 * * *	2,379	2,301	2,335	6,042	12,129
590	650	616	750	-	312
27,666	25,050	22,839	22,999	14,108	-
20,014	11,305	16,000	17,210	36,344	11,420
18,359	18,574	18,759	18,767	19,028	19,233
80	46	32	27	44	60
7.3	8.6	8	8.1	8.1	8.9
176	178	179	180	180	180
63,500	59,559	70,982	94,092	80,347	90,570
48,500	48,500	42,811	54,940	50,306	58,462

CITY OF PITTSBURG
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015
Public safety:				
Police stations	1	1	1	1
Police patrol units (Includes Unmarked)	52	55	63	64
Public works				
Miles of streets (Center Line)	165.35	165.35	165.35	163.79
Street lights (Total)	2,041	2,122	4,331	4,358
Traffic Signals	61	60	61	61
Culture and recreation:				
Community services:				
City Parks	23 *	23	23	24
City parks acreage	145	145	145	147
Roadway landscaping acreage	19	19	20	22
Regional park acreage	56	56	56	56
Regional park facilities:				
Golf courses (18 holes)	1	1	1	1
Marina Fuel Station	1	1	1	1
Community Civic Center	1	1	1	1
Senior centers	1	1	1	1
Swimming pools	1	1	1	1
Tennis courts	3	3	3	3
Water				
Storage capacity (millions of gallons)	19.3	19.3	19.3	19.3
Miles of Water Mains	224	225	227	229
Wastewater				
Miles of Storm Drains	94	95	95	101

Note: n/a denotes information is not available.
*FY 2012 # OF City Parks Corrected. 2-School Soccer Fields not included in City parks number.
** In 2016, the City remeasured all water lines using the new GIS System
Source: City of Pittsburg Staff & Prior Year CAFR's

2016		2017	2018	2019	2020	2021
1		1	1	1	1	1
67		69	69	83	85	85
164.63		169.90	169.90	169.90	169.90	170.00
4,287		4,287	4,287	4,287	4,287	4,348
63		63	63	63	63	64
24		24	26	26	26	26
147		147	322	322	322	322
22		22	22	22	22	22
56		56	56	56	56	56
1		1	1	1	1	1
1		1	1	1	1	1
1		1	1	1	1	1
1		1	1	1	1	1
1		1	1	1	1	1
3		3	3	3	3	3
19.3		19.3	19.3	19.3	19.3	19.3
224	**	227	227	227	227	229
101		103	104	104	104	106



CITY OF PITTSBURG

Annual Comprehensive Financial Report

June 30, 2021

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of a City Council Resolution Authorizing the Acceptance and Appropriation of State of California Tobacco Law Enforcement Grant Funds

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

The Pittsburg Police Department is seeking City Council authorization to accept and appropriate grant funds from the State of California Tobacco Law Enforcement Program; made available through the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Prop. 56) and administered by the California Department of Justice (DOJ) to support local efforts to reduce the illegal sale of tobacco products to minors.

FISCAL IMPACT

There will be no fiscal impact as the funds from the grant will reimburse the City for costs of one police officer assigned to the program. Additionally, the funds will apply to 10% of a Police Sergeant's salary and 5% to administrative costs. This is a 36-month grant covering FY 2022/23, FY 2023/24, and FY 2024/25 and during this time the Pittsburg Police Department will receive a total reimbursement of $687,963.

RECOMMENDATION

Staff recommends City Council approval of the attached resolution authorizing the appropriation of the State of California Tobacco Law Enforcement grant funds and authorizing the City Manager or his designee to act on the City's behalf relative to this grant including the establishment of necessary fiscal accounting.

BACKGROUND

The grant funds will cover a five-part program related to tobacco danger awareness and assist in forming partnerships with businesses licensed to sell tobacco and nicotine products including environmental design and outreach and education to the youth and adults.

Through partnerships with the Chamber of Commerce and the business community through the Business Watch Program, the Police Department will attempt to increase involvement with 46 businesses licensed to sell tobacco and nicotine products.

The Tobacco Officer will utilize the Business Watch Program and the Chamber of Commerce to facilitate meetings. Meetings will be specifically geared to blight and crime which is often related to tobacco sales. The officer will contact every licensed business owner during additional onsite visits and encourage attendance to owners and staff to attend.

The Tobacco Officer will conduct thorough inspections of every business to identify approved tobacco related signage and resolve community concern about easy access for youth to tobacco and nicotine related products.

The focus of the Police Department is ensuring tobacco remains out of the hands of our youth. Several contacts with a portion of our youth indicate high levels of tobacco and nicotine product use. This funding will assist in educating and providing resources to these communities.

The Tobacco Officer will coordinate education outreach at Junior High and High Schools in our city. The trainings will incorporate School Resource Officers and additional support personnel. Patrol officers will also receive training to educate youth in the community about the dangers of these products and refer needed information to the Tobacco Officer.

SUBCOMMITTEE FINDINGS

The Tobacco Grant was presented to the Public Safety Subcommittee on December 7, 2021. The Tobacco Grant was supported by the Subcommittee as presented.

STAFF ANALYSIS

The Pittsburg Police Department has applied for and been awarded $687,963 from the State of California Tobacco Law Enforcement Grant Program to form business partnerships, educate, and design outreach programs related to tobacco danger awareness. To be considered eligible to receive grant funding, the City must submit a completed Grant Award Memorandum of Understanding to the State of California DOJ. The Department requests authorization to accept and appropriate the grant funds and execute the Memorandum of Understanding between the City and the Department of Justice.

ATTACHMENTS:
Resolution
MOU

Report Prepared By:
Brian Addington, Chief of Police

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Authorizing the Acceptance And Appropriation of the State of California Tobacco Law Enforcement Grant Funds	))))	RESOLUTION NO. 22-

WHEREAS, the Pittsburg Police Department has been awarded funds not to exceed $687,963 from the State of California Tobacco Law Enforcement Grant Program; made available through the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Prop. 56) and administered by the California Department of Justice (DOJ) to support local efforts to reduce the illegal sale of tobacco products to minors in the City; and

WHEREAS the 36-month grant program will begin July 1, 2022 ending June 30, 2025. Grant funds will be used for the salary of one Police Officer, 10% of a Police Sergeant and 5% administrative costs to support tobacco enforcement operations, local retailer inspection operations, outreach, and education programs related to tobacco danger and awareness; and

WHEREAS staff recommends that the City accept these funds and authorize their use for local law enforcement actions as proposed in the grant application and in this resolution.

NOW, THEREFORE, the City Council DOES RESOLVE as follows:

Section 1. The City Manager or a designated representative is hereby authorized, on behalf of the City, to accept grant funding in the amount of $687,963 to fulfill the grant goals and objectives and execute the Memorandum of Understanding between the City and the Department of Justice.

Section 2. This Resolution will authorize grant funds over 36 months commencing July 1, 2022 ending June 30, 2025 totaling $687,963.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of January 2022, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Holland Barrett White, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

MEMORANDUM OF UNDERSTANDING

PURPOSE

This Memorandum of Understanding (MOU) is entered into by the Department of Justice (hereinafter, "Department") and the City of Pittsburg, Pittsburg Police Department (hereinafter, "Grantee"), to provide grant funds to Grantee for expenditure in compliance with the Grantee Handbook. The Grantee will expend funds for the purposes identified in the approved Summary of Award document to be funded under the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (the "Act"), approved by the voters as Proposition 56.

The Request for Proposals, Grantee Handbook (dated March 2021), and Summary of Award document are hereby incorporated by reference into this MOU.

COST REIMBURSEMENT

The Department agrees to reimburse Grantee in arrears, for Grantee's actual expenditures in performing the project or scope of work included in the approved Summary of Award document, upon receipt of invoices from Grantee and approval of the invoices by the Department, in accordance with the reimbursement procedures set forth in the Grantee Handbook.

BUDGET CONTINGENCY CLAUSE

It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under the agreement does not appropriate sufficient funds for this MOU, this MOU shall be of no further force and effect. In this event, the Department shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this MOU and Grantee shall not be obligated to continue performing any provisions of this agreement for which it would have been reimbursed.

If funding for any fiscal year is reduced or deleted in the Budget Act for purposes of this MOU, the Department shall have the option to either cancel this MOU with no liability occurring to the Department, or offer an addendum to the Grantee to reflect the reduced amount.

ADMINISTRATION

Should Grantee fail to comply with this MOU, including any expenditures for purposes not permitted under the MOU, the Department may take one or more of the actions described under Noncompliance in the Grantee Handbook.

MISCELLANEOUS PROVISIONS

Addendum – No addendum or variation of the terms of this MOU is valid unless made in writing, and signed by the duly authorized representatives of the parties.
Assignment – This MOU is not assignable by Grantee in whole or in part.
Indemnification – Grantee agrees to indemnify and hold harmless the Department, its officers, agents and employees from all claims, liabilities, or losses in connection with the performance of this MOU.
Termination – The Department may terminate this MOU and be relieved of any obligation to provide grant funds to Grantee should Grantee fail to perform the scope of work at the time and in the manner provided in this MOU.

TERMS

Grant Duration: 12/1/2021 – 6/30/2025

Award Amount				
Category of Expenditure	Budget FY 2021-2022	Budget FY 2022-2023	Budget FY 2023-2024	Budget FY 2024-2025
Personal Services	$218,401	$218,401	$218,401	$0
Operating Expenses and Equipment	$0	$0	$0	$0
Administrative Costs (Not to Exceed 5%)	$10,920	$10,920	$10,920	$0
TOTAL AWARD AMOUNT	$687,963			

The time limit for reimbursements against this award ends 6/30/2025. Requests received after 7/15/2025 cannot be reimbursed by the Department.

GRANTEE CONTACT INFORMATION

Adam Deplitch, Lieutenant
Pittsburg Police Department
65 Civic Avenue, Pittsburg, CA 94565
925.252.4972
adeplitch@pittsburgca.gov

AUTHORIZATION

The Department and Grantee, by their duly authorized officials, have executed this MOU on the respective dates indicated below. This MOU and any future addendums shall be mailed to the Division of Operations, Local Assistance Unit, Tobacco Grant Program, and will become fully executed upon completion of signatures from all parties.

_____ _____
Brian Addington Chief of Police Date
Pittsburg Police Department

_____ _____
STACY HEINSEN, GRANT MGR. Date
Division of Operations
California Department of Justice

_____ _____
CHRIS RYAN, CHIEF Date
Division of Operations
California Department of Justice

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of City Council Resolution Allocating Funds and Awarding a Purchase Contract for a 2022 420 Backhoe Loader

MEETING DATE: January 18, 2022

EXECUTIVE SUMMARY

The City maintains a fleet of vehicles and equipment necessary for maintenance of the City's infrastructure, including a Backhoe Loader that needs replacement. If approved, this resolution will allocate funds and authorize a purchase contract for a new 2022 Caterpillar 420 Backhoe Loader.

FISCAL IMPACT

If approved, the resolution would authorize allocation of $140,000 for the purchase of the backhoe loader from the City's Water Operations Fund ($70,000 from Fund 501) and Sewer Operations Fund ($70,000 from Fund 521) to purchase a new Backhoe Loader. This is an appropriate use of these funds. No additional funds are requested.

RECOMMENDATION

City Council adopt the attached Resolution allocating $140,000 from the City's Water Operations Fund ($70,000 from Fund 501) and Sewer Operations Fund ($70,000 from Fund 521) and authorizing the City Manager to execute a purchase contract with Peterson CAT in the amount of $139,769.46, for purchase of a 2022 Caterpillar 420 Backhoe Loader.

BACKGROUND

The Public Works Department Fleet Maintenance Division is responsible for the maintenance of a vehicle fleet of cars, trucks, heavy equipment, and other equipment. The entire fleet has a replacement value of approximately $6 million. These vehicles are necessary to maintain efficient operations of the City.

Having a backhoe loader is critical for routine maintenance and for emergency repairs to water distribution lines, and to sewer collection facilities located throughout the City.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

The backhoe loader being replaced was purchased in 2007 and has exceeded the useful life typical of this type of heavy equipment. Commonly used for both routine maintenance and emergency repairs, the backhoe loader is an important piece of equipment that the City cannot do without. The cost to repair the deteriorated backhoe loader, combined with the inefficiency of the equipment and additional maintenance that is required to keep the equipment in service is not financially responsible for the City. A replacement backhoe loader is necessary.

Staff solicited cost proposals from Peterson CAT, for the replacement backhoe. Peterson CAT is a vendor enrolled in a purchasing program where the State of California solicits proposals and negotiates purchase agreements for equipment commonly used by public agencies, including backhoes. The RFP & contract documentation is available on the Sourcewell website https://www.sourcewell-mn.gov/cooperative-purchasing/032119-cat#tab-contract-documents.

If approved, the agreement would authorize the City to make a “piggyback” purchase from Peterson CAT for the price previously negotiated with the State of California for this equipment.

Staff recommends the City Council approve the attached resolution authorizing the City Manager to allocate funds and execute a contract with Peterson CAT in the amount of $139,769.46, for the purchase of a new 2022 Caterpillar 420 Backhoe Loader.

ATTACHMENTS: Resolution
Peterson CAT Quote
Peterson CAT Signed Agreement

Report Prepared By: Natasha Farmer, Public Works Administrative Analyst I

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter Of:

Authorizing Allocation of Funds and)
Execution of a Contract to) RESOLUTION NO. 22 - _____
Purchase a New Backhoe Loader)

WHEREAS, the City's Public Works Department is responsible for the care and maintenance of the City's Fleet; and,

WHEREAS, the current backhoe loader is no longer reliable or cost-effective to repair; and,

WHEREAS, a replacement backhoe is necessary for routine maintenance and emergency repairs to water and sewer infrastructure; and,

WHEREAS, Sourcewell, formerly NJPA, has undertaken competitive bidding equivalent to or better than the requirements in City's Purchasing Policy and has entered into contracts with various vendors including Peterson CAT, a California Corporation; and

WHEREAS, Peterson CAT, is an authorized dealer for Caterpillar, Inc. and represents and warrants that it is bound by all terms and conditions of the Contract from RFP #032119; and

WHEREAS, staff requests allocation of $140,000 from the City's Water Operations Fund ($70,000 from Fund 501) and Sewer Operations Fund ($70,000 from Fund 521) to purchase a new backhoe loader; and

WHEREAS, sufficient funds are available in the Water Operating Fund (Fund 501) and Sewer Operations Fund (Fund 521).

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Pittsburg hereby approves and authorizes the City Manager to execute a Contract in the amount of $139,769.46, with Peterson CAT and authorizes allocation of $70,000 from the City's Water Operations Fund (Fund 501) and $70,000 from Sewer Operations Fund (Fund 521) for the purchase of a new 2022 Caterpillar 420 Backhoe Loader.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of January 2022, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Holland Barrett White, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

October 25, 2021

CITY OF PITTSBURG
FINANCE DEPT - AP
65 CIVIC AVENUE
PITTSBURG
California
94565-3814

Sourcewell Contract# 032119

Attention: GREG JUSTICE

RE: Quote 196967-01

Dear Sir,

We would like to thank you for your interest in our company and our products, and are pleased to quote the following for your consideration.

One (1) New Caterpillar Model: 420 Backhoe Loaders

STOCK NUMBER: NM49162

MACHINE SPECIFICATIONS

420 07A BACKHOE LOADER CFG2	542-7992
LANE 2 ORDER	0P-9002
TIRES, 12.5 80/19.5L-24, GY	379-2161
SERIALIZED TECHNICAL MEDIA KIT	421-8926
INSTRUCTIONS, ANSI	559-0872
AUTO-UP STABILIZERS	567-5090
PACK, DOMESTIC TRUCK	0P-0210
PRODUCT LINK, CELLULAR, PLE643	560-6797
SEAT BELT, 3" SUSPENSION	206-1748
PLATE GROUP - BOOM WEAR	423-7607
BATTERY, HEAVY DUTY	516-5913
CUTTING EDGE, TWO PIECE,WIDE	9R-5320
STABILIZER PADS, FLIP-OVER	9R-6007
RADIO, FM BLUETOOTH	540-2298
DISPLAY, TOUCH SCREEN	545-5048
WORKLIGHTS (8) LED LAMPS	491-6736
SEAT, DELUXE FABRIC	573-4524
RIDE CONTROL	551-6453
LOADER BUCKET PINS	545-8548
LINES,HYD CPLR 14FT EXT PILOT	555-2396

SHIPPING/STORAGE PROTECTION	461-6839
RUST PREVENTATIVE APPLICATOR	462-1033
PT, 4WD/2WS AUTOSHIFT	544-0930
ENGINE, 74.5KW, C3.6 DITA, T4F	541-9540
CAB, DELUXE	544-0883
BUCKET-MP, 1.4 YD3, PO	337-7442
STICK, EXTENDABLE, 14FT	543-4284
COUPLER, PG, HYD.D.LOCK,BHL	485-5303
LINES, COMBINED AUX, E-STICK	548-1231
HYDRAULICS, MP, 6FCN/8BNK, ST	542-7774
AIR CONDITIONER, T4F	542-7810
COUNTERWEIGHT, 1015 LBS	337-9696
PINS, BUCKET, BHL-F, 45MM-50MM	178-3593
BUCKET-HD, 24", 6.2 FT3	219-3387

SELL PRICE	$127,935.43
EXT WARRANTY	Included
NET BALANCE DUE	**$127,935.43**
SALES TAX (9.25%)	$11,834.03
AFTER TAX BALANCE	**$139,769.46**

WARRANTY

Standard Warranty:	12 Month, Unlimited Hours Standard Warranty
Extended Warranty:	420-36 MO/3000 HR POWERTRAIN + HYDRAULICS + TECH (Tier 4)

F.O.B/TERMS: Pittsburg

Accepted by_____ **on** _____

Signature

This Quote is valid for 30 days, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

Jon Hamilton
Governmental Sales Representative
Peterson CAT
(925) 580-2439
JHHamilton@petersoncat.com

AGREEMENT BETWEEN
THE CITY OF PITTSBURG AND
PETERSON HOLDING COMPANY
PURSUANT TO SOURCEWELL CONTRACT FROM RFP #032119-CAT

THIS Agreement ("Agreement") is made by and between the City of Pittsburg, a municipal corporation ("City") and Peterson Holding Company, a California Corporation ("Peterson CAT") (together referred to as the "Parties") as of January 5, 2022 (the "Effective Date").

WHEREAS, Sourcewell, formerly NJPA, has undertaken competitive bidding equivalent to or better than the requirements in City's Purchasing Policy and has entered into contracts with various vendors including Caterpillar, Inc.; and

WHEREAS, City seeks to "piggyback" on a Sourcewell contract for 420 Backhoe Loader with related equipment, accessories, and services, specifically Contract from RFP #032119-CAT; and

WHEREAS, the Contract provides that additional terms and conditions or transaction documentation may be negotiated between a Sourcewell Participating Entity such as City, and the vendor; and

WHEREAS, Peterson CAT, a California Corporation, is an authorized dealer for Caterpillar, Inc. and represents and warrants that it is bound by all terms and conditions of the Contract from RFP #032119-CAT; and

WHEREAS, City seeks to add or clarify certain terms of Contract from RFP #032119-CAT.

NOW, WHEREFORE, City and Peterson CAT agree as follows:

1. **Governing Law and Venue.** The laws of the State of California shall govern this Agreement and Contract from RFP #032119-CAT ("Contract"). In the event that either party brings any action against the other under this Agreement or the Contract, the parties agree that trial of such action shall be vested exclusively in the state courts of California in Contra Costa County or in the United States District Court for the Northern District of California.

2. **Workers' Compensation.** Peterson CAT shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Peterson CAT in the amount required by applicable law.

3. **Compliance with Applicable Laws.** Peterson CAT and any subcontractors shall comply with all laws applicable to the performance of the work hereunder. Peterson

CAT shall also, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates as determined by the California Department of Industrial Relations.

4. **Order of Precedence.** In the event of any inconsistency between this Agreement and the Contract, the terms of this Agreement shall govern. The terms of this Agreement and the Contract shall govern over any Purchase Order from Peterson CAT.

5. **Representations.** Peterson CAT represents and warrants that it is bound by all terms in Contract from RFP #032119 to the same extent as Caterpillar, Inc.

The Parties have executed this Agreement as of the Effective Date.

CITY OF PITTSBURG

_____
Garrett Evans, City Manager

Peterson Holding Company, INC.

_____
Duane Doyle Jr, President

Attest:

_____
Alice E. Evenson, City Clerk

Approved as to Form:

_____
Donna Mooney, City Attorney

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