

RICHMOND HOUSING AUTHORITY (RHA)
Housing Advisory Commission Meeting

DATE: Monday, June 10, 2024, TIME: 3:30 p.m.
LOCATION: Richmond Room (1st floor) 450 Civic Center Plaza, Richmond CA 94804

The meeting will be in person. If you need to access the meeting online the information to access ZOOM is below. Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to join.

<https://ci-richmond-ca-us.zoom.us/j/95620224571?pwd=RjZPTlhBMzd6WEcyVzNuTU9CN3VLUT09>

Passcode: 982517

Or join by phone: Dial (for higher quality, dial a number based on your current location) US: +1 669 444 9171 or +1 669 900 6833 or +1 253 205 0468 or +1 253 215 8782 or +1 346 248 7799 or +1 719 359 4580 or +1 360 209 5623 or +1 386 347 5053 or +1 507 473 4847 or +1 564 217 2000 or +1 646 931 3860 or +1 689 278 1000 or +1 929 205 6099 or +1 301 715 8592 or +1 305 224 1968 or +1 309 205 3325 or +1 312 626 6799

Public comments may be submitted in multiple ways:

1. Via email to aarredondo@rhaca.org **by 1:30 p.m. on June 10, 2024**, or during the meeting as set forth below. Email must contain in the subject line public comments – not on the agenda or public comments – agenda item #. Email must contain in the subject line **public comments – not on the agenda or public comments – agenda item #**.
2. Via mail received by 1:30 p.m. Monday, June 10, 2024, sent to Richmond Housing Authority 450 Civic Center Plaza, Second Floor, Richmond, CA 94804.
3. Via phone voice message received by 1:30 p.m. Monday, June 10, 2024, phone: 510-621-1300. Please leave your comment on the voicemail or with staff member that answers the phone.
4. In person, please fill out a comment card to be called upon when the item is heard.
5. Via zoom during the meeting please press the raise hand function or *9 if accessing by phone when the item gets called.

Comments received by 1:30 p.m. June 10, 2024, during the day of the meeting will be handled as follows:

All email, phone, and mail comments received **by 1:30 p.m. on June 10, 2024**, will be provided to the Commissioners.

Record of all public comments:

All public comments will be considered a public record, put into the official meeting record, and considered before Commission action. All public comments will be available after the meeting as supplemental materials and will be posted as an attachment to the meeting minutes when the minutes are posted.

Accessibility for Individuals with Disabilities

Upon request, the RHA will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services and sign language

interpreters, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested. Requests should be emailed to aarredondo@rhaca.org or submitted by phone at 510-620-1300. Requests can be made by mail to Gabino Arredondo 450 Civic Center Plaza, 2nd Floor, Richmond, CA 94804. Requests will be granted whenever possible and resolved in favor of accessibility.

Commissioners

**Carol Hegstrom
Chair**

**Jaycine Scott
Vice-Chair**

**Dena Nelson
Secretary**

Philena Cosby

**Cesar Zepeda
Council Liaison**

AGENDA

1. Call to Order and Pledge of Allegiance (1 min.)
2. Roll Call (1 min.)
3. Welcome and Meeting Procedures (1 min.) – Individuals who would like to address the commission on matters not listed on the Agenda may do so under Open Forum. Please file a speaker's card with the note taker prior to the commencement of Open Forum. Individuals, who want to comment on an individual item, please file a speaker's card before the item is called. The standard amount of time for each speaker will be three minutes.
4. Agenda Review and Adoption (4 min.)
The order in which items will be heard may be adjusted at this time. Items may be removed from the Agenda at this time.
5. Approval of Minutes (1 min.)
6. Introduction of Invited Guests
7. Executive Director's Update
8. Housing Advisory Commissioners' Reports (3 min.)
9. Recommendations to the Housing Authority Board of Commissioners (3 min.).
10. Open Forum (Limit to 3 minutes per person)
11. New Business
 - ADOPT a resolution authorizing the Richmond Housing Authority (RHA) to submit a Rental Assistance Demonstration (RAD) application and any Section 18 Disposition application elements required to support blending RAD and Section 18 Disposition programs to U.S. Department of Housing and Urban Development (HUD) for Richmond Village - Richmond Housing Authority
 - ADOPT a resolution authorizing Richmond Housing Authority's Executive Director to enter into a third contract amendment with Edrington Schirmer & Murphy LLP for as needed lease enforcement and unlawful detainer legal services for an increased contract amount of \$75,000 for a new total contract amount not to exceed \$450,000 with a new term ending December 31, 2025
 - ADOPT a joint resolution approving the proposed Fiscal Year (FY) 2024-2025 Richmond Housing Authority (RHA) budget, with total estimated revenues of \$4,319,879 and total estimated expenditures of \$4,671,805.57; and APPROVE an RHA subsidy from the City of Richmond General Fund in the amount of \$351,926.57, which will provide sufficient revenue to match anticipated expenditures and balance the RHA budget to \$4,671,805.57 in estimated revenues and \$4,671,805.57 in expenditures

Commissioners

**Carol Hegstrom
Chair**

**Jaycine Scott
Vice-Chair**

**Dena Nelson
Secretary**

Philena Cosby

**Cesar Zepeda
Council Liaison**

12. Old Business

Asset Repositioning Update

- Hacienda
- Nevin Plaza
- Nystrom
- Richmond Village

13. Next Scheduled Meeting July 8, 2024.

This Commission meets every 2nd Monday at 3:30 p.m. To request disability-related accommodation(s) to participate in the meeting, including auxiliary aids or services, please contact ADA Coordinator, at (510) 620-6509 before the meeting date. At 4:30 p.m., any items remaining on the Agenda that require immediate attention may be moved to this time.

HOUSING ADVISORY COMMISSION
Monday, May 13, 2024 – 3:30 PM
450 Civic Center Plaza, Richmond, CA 94804
Zoom

MINUTES

1. Call to order

The meeting was called to order by Housing Advisory Commissioner and Chair Carol Hegstrom at 3:47pm.

2. Roll Call

Present:

Commissioners: Carol Hegstrom (Chair), Dena Nelson (Secretary), Philena Cosby, Jaycine Scott (Vice Chair)

RHA Staff: Gabino Arredondo (RHA Executive Director), Gregory Palomino

Absent:

Commissioner Y'Anad Burrell

Council Liaison Cesar Zepeda

3. WELCOME AND MEETING PROCEDURES

4. AGENDA REVIEW AND ADOPTION – No change.

5. APPROVAL OF MINUTES- March 2024 minutes approved and seconded; motion passes unanimously.

6. INTRODUCTION OF INVITED GUESTS:

None

7. EXECUTIVE DIRECTOR'S UPDATE:

- As part of the PHARS agreement units need to be refurbished. HUD came for a site visit; went to Hacienda, Nevin, Richmond Village, Nystrom.
- Mostly supportive outcome; need to work on the "PIC System that they use to send tenant info to HUD. There are 20 errors for Richmond Village that says there are vacant units that really aren't vacant. HUD is changing to a new platform; want all clean data. RHA has 3 units at Nystrom that they haven't been able to update
- RHA also did their own review - 29 work orders generated
- During HUD review—another 40 work orders generated for addressing in 24 hours! For

example, disallowed double deadlocks; gutter issues; trash, plumbing leaks, etc. Staff took initiative and started working. An additional 20 deficiencies were later reported to RHA by the inspector, but didn't include address or location information. Most issues have been addressed, but some haven't been found.

- HUD inspection outcome- the inspectors/inspection failed so will be re-scheduled. (Note- RHA did not fail, the inspection itself was considered insufficient so will need to occur again, usually about 1 month notice)
- Next steps- relocating some tenants where leaks went unaddressed and turned into bigger problems- eg mold, water bills, etc. Richmond Village is hiring a contractor for an internal pre-inspection.
- New scoring for inspections. If RHA passes the inspection, then in future years may not need to do PHARS agreements

8. HOUSING ADVISORY COMMISSIONERS' REPORTS

- Commissioner Scott- Three occasions where doors of units under construction are wide open; one time storage unit open; reported to Security, but sometimes not acting. Concerns about maintenance person processing a rent check or giving rent to security at front entrance. Concern about availability of EAH staff during scheduled hours.
- Commissioner Cosby- dates on lease? new leases? concern about rush on signing leases and possibility of hidden disclosures, for example related to asbestos. Tenant complaints about accommodations.
- Now EAH is having resident meetings

9. HOUSING ADVISORY COMMISSIONER APPOINTMENTS

None

10. PRESENTATIONS

11. RECOMMENDATIONS TO THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

None

12. OPEN FORUM

- Cordell Himler: invitation to Contra Costa conference. request for Nevin Plaza and Nystrom Village updates

13. OLD BUSINESS

Director Arredondo:

- Nevin Plaza- site visit with HUD went well
- Nystrom- RHA office broken into

9. NEW BUSINESS

Director Arredondo:

- Update to Housing Advisory Commission stipends to \$25 and Board of Commissioners tenant representative to \$50. Measure passes unanimously. July 1 2023, retroactive payments.
- Annual Plan - will send a copy out. RHA is catching up.

10. NEXT SCHEDULED MEETING

Monday June 10th, 2024

11. ADJOURNMENT

4:44pm



HOUSING AUTHORITY
Economic Development

AGENDA REPORT

DATE:	June 18, 2024
TO:	Housing Authority Board of Commissioners
FROM:	Nannette J. Beacham, Economic Development Director Gabino Arredondo, Interim RHA Executive Director
Subject:	Rental Assistance Demonstration (RAD) Program Application for Richmond Village.
FINANCIAL IMPACT:	Submission of the RAD application to U.S. Department of Housing and Urban Development (HUD) is part of Richmond Housing Authority's (RHA) asset repositioning efforts and will reduce RHA's total public housing assets. The application submittal facilitates efforts to implement provision in the Public Housing Agency Recovery and Sustainability (PHARS) agreement and will provide an increase in operating subsidy to the affordable housing project making it more financially stable.
PREVIOUS COUNCIL ACTION:	December 4, 2018; December 6, 2022
STATEMENT OF THE ISSUE:	As an implementing action of the RHA asset repositioning efforts, RHA is prepared to submit a Rental Assistance Demonstration Program (RAD) application to HUD for Richmond Village I, II and III (collectively Richmond Village). The application submittal facilitates efforts to reposition Richmond Village as outlined in the PHARS Agreement with HUD.

RECOMMENDED ACTION:	ADOPT a resolution authorizing the Richmond Housing Authority (RHA) to submit a Rental Assistance Demonstration (RAD) application and any Section 18 Disposition application elements required to support blending RAD and Section 18 Disposition programs to U.S. Department of Housing and Urban Development (HUD) for Richmond Village - Richmond Housing Authority (Gabino Arredondo 620-6606).
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DISCUSSION:

RHA's purpose is to provide quality, safe, and sanitary housing for very low-income individuals and families in the City of Richmond through the administration of the Low-Income Public Housing Program. Richmond Village, located at and around 700 S. 26th Street, contains 167 public housing units. The property is currently owned by Easter Hill Development, L.P. and Easter Hill Phase II, L.P, both California limited partnerships. RHA is a Managing General Partner in both limited partnerships. These ownership entities were created to facilitate the use of Low-Income Housing Tax Credits (LIHTC) to finance the development approximately 15 years ago.

On December 4, 2018, the RHA Board of Commissioners directed staff to move forward with repositioning RHA’s public housing developments and other real estate holdings. This strategy supports the underlying goals of RHA to ensure no reduction in rental housing options for Richmond residents, and to maximize the benefit/utilization of the federal funds.

This RAD application will begin the process to convert the existing public housing operating subsidy to project based Section 8 vouchers. Converting these units is one aspect of the larger repositioning of Richmond Village. The application submittal facilitates efforts to reposition Richmond Village as provided in the PHARS Agreement with HUD, Tasks 5 & 6 (Attachment 2).

The community engagement activities to inform the residents on the application process has continued with the most recent community meeting which were held on site at Richmond Village and online on Tuesday, April 26, 2024, and Wednesday, May 8, 2024. A PowerPoint was presented, factsheets were shared, and a question-and-answer period was held. All materials have been provided to tenants participating in the community engagement process and are made available at the Richmond Village offices.

ATTACHMENTS:

- Attachment 1 - Resolution
- Attachment 2 - PHARS Agreement
- Attachment 3 - Community Meeting Materials (Agenda, PowerPoint, Fact Sheets)

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RICHMOND, CALIFORNIA, AUTHORIZING THE RICHMOND HOUSING AUTHORITY'S SUBMISSION OF A RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM APPLICATION AND ANY SECTION 18 DISPOSITION APPLICATION ELEMENTS REQUIRED TO SUPPORT BLENDING RAD AND SECTION 18 DISPOSITION PROGRAMS TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR RICHMOND VILLAGE I, II, AND II

WHEREAS, RHA RHA entered into a Public Housing Authority Recovery and Sustainability (PHARS) Agreement with the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, RHA RHA remains obligated and committed to performing all HUD required functions, and to provide quality service to local program participants; and

WHEREAS, RHA on December 4, 2018, the RHA Board of Commissioners directed staff to move forward with repositioning RHA's public housing developments and other real estate holdings; and

WHEREAS, RHA RHA is the recipient of a 2000 HOPE VI Revitalization Grant used to create Richmond Village, a multiphase redevelopment that together includes Richmond Village I (CA010000007) with 70 public housing units, Richmond Village II (CA010000008) with 61 public housing units, Richmond Village III (CA010000009) with 36 public housing units (collectively Richmond Village); and

WHEREAS, RHA Richmond Village I is owned by Easter Hill Development, L.P. a California limited partnership that includes MBA Urban Development Co., its Development General Partner, and Richmond Village II and III are owned by Easter Hill Phase II, L.P a California limited partnership that includes MBA Urban Development Co., its Development General Partner; and

WHEREAS, RHA the PHARS Agreement between RHA and HUD calls for the repositioning of public housing included in Richmond Village (Task 5 & 6); and

WHEREAS, RHA in order for RHA to move forward in repositioning Richmond Village, a Rental Assistance Demonstration Program (RAD) application needs to be submitted and approved by HUD; and

WHEREAS, RHA HUD provides for circumstances the RAD program may be combined with the Section 18 Disposition program to facilitate repositioning of public housing; and

WHEREAS, resident community meeting were held on site at Richmond Village and online on Tuesday, April 26, 2024, and Wednesday, May 8, 2024 to explain the RAD application process and answer questions; and

WHEREAS, RHA RHA has completed the application requirements for a RAD application in accordance with RAD Notice Revision 4 ([H 2019-09 PIH 2019-23](#)).

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RICHMOND, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA THAT the RHA is authorized to submit a RAD application for Richmond Village and any Section 18 Disposition application elements required by HUD to support blending RAD and Section 18 Disposition programs.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to take all actions necessary to implement this resolution.

The foregoing resolution was passed and adopted by the Commissioners of the Housing Authority of the City of Richmond at a special meeting thereof held on June 18, 2024, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Chairperson

[SEAL]

Attest:

Secretary

Approved as to form:

City Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. _____** finally passed and adopted at a Special Housing Authority Meeting held on June 18, 2024.

CLERK OF THE HOUSING AUTHORITY



U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
One Sansome Street, Suite 1200
San Francisco, California 94104-4430
www.hud.gov

espanol.hud.gov

Ms. Nannette Beacham
Executive Director
Richmond Housing Authority
330 24th Street
Richmond, CA 94804

SEP 10 2019

Subject: Recovery Agreement & Action Plan

Dear Ms. Beacham:

On June 28, 2019, our office provided a draft 2019 Recovery Agreement Action Plan for your review. During our August 9, 2019, PHARS biweekly call, we discussed your requested modifications of timelines in that action plan. On July 10, 2019, we emailed the amended draft 2019 Recovery Agreement Action Plan. This letter retransmits the action plan and includes the 2019 PHARS Agreement for your signature and execution (enclosed).

The Recovery Agreement and Action Plan is a binding contract required by federal statute 42 U.S.C. 1437d(j)(2), that delineates performance outcomes, timelines, and reporting requirements that must be strictly adhered to. It also specifies remedies to achieve agreed-upon levels of performance.

We look forward to working with the Richmond Housing Authority to reposition the RHA Public Housing (PH) portfolio. If you have any questions or recommended modifications to the draft Agreement tasks, please contact Benjamin Palmer, Portfolio Management Specialist, at (415) 489-6445 or benjamin.r.palmer@hud.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gerard R. Windt".

Gerard R. Windt
Director
Office of Public Housing

Enclosure

cc:
Board of Commissioners
c/o Mayor Tom Butt, Board Chair
City of Richmond
450 Civic Center Plaza
Richmond, CA 94804

Richmond Housing Authority (RHA) PHARS Action Plan

TASK NUMBER	TASK	TARGET DATE
	Hacienda	
1.1	Finalize Financial Terms btw RHA and Mercy (Confirmation of a current Development Agreement to repositioning Hacienda)	12/28/2019
1.2	Request Revised Disposition Appl from SAC	1/28/2020
1.3	Submit Financing Plan to SFRO and submit Financing Applications to TCAC/HCD	3/1/2020
1.4	Conveyance / Closing of Hacienda	2/28/2021
1.5	SAC acceptance of a complete Section 18 PIC disposition application for Hacienda Remainder Parcel	12/31/2021
	Admin. Building	
2.1	Submission of disposition application to SAC	10/1/2019
2.2	SAC acceptance of a complete Section 18 PIC application	3/29/2020
2.3	Submit Financing Plan to SFRO and submit Financing Applications to TCAC/HCD	8/30/2020
	Nevin	
3.1	Issue RFP for Development Partner w/ elevator addendum	1/28/2020
3.2	Select a Development Partner	4/29/2020
3.3	SAC acceptance of a complete Section 18 PIC application	5/29/2020
3.4	Submit Financing Plan to SFRO and submit Financing Applications to TCAC/HCD	6/30/2021
3.5	Closing /Conveyance /Start Construction	3/1/2022
	Nystrom	
4.1	Issue RFQ for Master Plan	2/28/2020
4.2	Finalize terms btw RHA and Developer	5/29/2020
4.3	SAC acceptance of a complete Section 18 PIC application	9/1/2020
4.4	Closing /Conveyance /Start Construction	11/28/2022
	Richmond Village 1&2	
5.1	Submit RAD Application	10/1/2019
5.2	Submit RAD Financing Plan	11/28/2020
5.3	Close RAD conversion	12/1/2020
	Richmond Village 3	
6.1	SAC acceptance of a complete Section 18 PIC application	5/30/2021
6.2	Receive Tenant Protection Vouchers	6/30/2021
6.3	Closing /Conveyance /Start Construction	12/31/2021
	Other	
7.1	Submit PH organizational chart of RHA staff; charts to include names, titles, and responsibilities and duties.	1/28/2020
7.2	Complete HCV Close Out Audit	4/26/2020
7.3	Submit operating budgets for each AMP and Central Office Cost Center (COCC).	2/28/2020

Recovery Agreement between
Housing Authority of the City of Richmond
And
the United States Department of Housing and Urban Development

This Recovery Agreement is entered into between the Housing Authority of the City of Richmond (RHA), and the UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (“HUD”) as of this 22 day of October, 2019.

RECITALS

WHEREAS, under the United States Housing Act of 1937, as amended, (“Act”), 42 U.S.C. § 1437 *et seq.*, the United States Department of Housing and Urban Development (“HUD”) is responsible for administering low income housing programs, and pursuant to the Act, HUD has entered into an Annual Contributions Contract (“ACC”) with the RHA to develop and operate public housing projects of the RHA; and

WHEREAS, pursuant to the Act, HUD must evaluate public housing performance and has instituted the Public Housing Assessment System (“PHAS”); and

WHEREAS, on the basis of an annual PHAS score, the RHA has been designated Troubled or Substandard for financial, physical and/or management indicators, or other such deficiencies as HUD has identified; and

WHEREAS, the Act requires HUD to enter into agreements that establish performance targets, set out strategies for meeting targets, provide for incentives and sanctions for effective implementation of the strategies leading to recovery of performance and attain an improved status of at least a Standard Performer; and

WHEREAS, the recovery of performance is intended to lead to a sustainable sound fiscal management and good governance; and

WHEREAS, the parties desire to correct all HUD-identified deficiencies through the implementation of this Recovery Agreement, (“Agreement”);

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, HUD, the RHA and the City of Richmond agree as follows:

- I. The RHA agrees to achieve the outcomes outlined in the Action Plan and incorporated into this Agreement as Exhibit A.
- II. The RHA will work with key local constituents, including the City of Richmond, to develop and implement a Sustainability Plan if necessary, to achieve recovery.
- III. The Action Plan describes the results following HUD’s review and assessments of PHA performance, the measures that need to be implemented to improve the

performance and the desired outcomes to be achieved and establishes a timetable to achieve those outcomes. The Action Plan also identifies the available remedies to resolve HUD's determination of non-performance.

- IV. Upon execution of the Agreement, the RHA will commence with the required actions listed in the Plan within the timeframes set forth therein.
- V. The RHA will cure identified deficiencies within the timeframes established in the Action Plan.
- VI. Subject to section XII, regardless of possible changes in the RHA's Board composition, or the decision-making individuals for HUD, the term of this Agreement is effective as of the execution date of this document and will continue until completion of the Action Plan in accordance with 6(j) (2) and (3) of the Act, and any agreed upon extensions. This Agreement will remain in effect until the RHA has completed all items listed in the Plan, even if HUD removes the RHA's troubled/substandard designation.
- VII. HUD, in its discretion, may provide technical assistance, including training or contract support, to the RHA to facilitate accomplishment of the items in the Action Plan. The RHA's compliance with the Action Plan, however, shall not be contingent on HUD's provision of any technical assistance or other discretionary assistance.
- VIII. The RHA shall provide HUD with deliverables as identified in the Action Plan and progress reports upon HUD request. Additionally, RHA and HUD will meet monthly to discuss the status of the PHARS Agreement Action Plan.
- IX. HUD will confirm in writing to the RHA as to the receipt of the deliverables required by the Action Plan and will notify RHA promptly in writing of any perceived inadequacy of the submitted deliverables and what actions RHA can take to revise the deliverable to meet Department regulatory requirements.
- X. If the RHA disagrees with HUD's determination concerning the completion of any deliverable, the RHA may request a reconsideration of the determination and submit additional information to support its position. HUD will provide the RHA with a written notice of its decision.

- XI. The failure of the RHA, its employees, officers, agents, or contractors to comply with this Agreement, including the failure to achieve the agreed upon outcomes or to take the actions or comply with the time frame set forth in the Action Plan, may result in HUD seeking any available remedies, including any of the following actions sequentially or simultaneously:
- a. Consolidation;
 - b. Consortia/Joint Venture;
 - c. Contraction of Operational Activities;
 - d. Cooperative Endeavor Agreement;
 - e. Debarment;
 - f. Deliver possession and control of project(s) to HUD;
 - g. Limited Denial of Participation;
 - h. Receivership; and/or
 - i. Suspension.
- XII. The parties by mutual written agreement may agree to extend the timeframes set forth in the Action Plan from time to time. In the event said timeframes are extended, HUD agrees that it will not take any of the actions against the RHA as set forth in this section of the Agreement for noncompliance with original timeframes.
- XIII. This agreement is intended solely for use in addressing compliance matters identified in the Action Plan and does not waive or release RHA or the City of Richmond from claims or promises pertaining to operating a PH program per HUD statutory, regulatory or RHA policies.
- XIII. Communication related to the Recovery Agreement and Action Plan shall be submitted electronically to Gerard R. Windt, San Francisco Public Housing at Gerard.Windt@hud.gov or his successor.
- XIV. HUD and the RHA and their employees, subcontractors, partners or assigns shall comply with all applicable federal, state, and local laws and regulations relating to the performance of this Agreement to which their activities are subject.
- XV. Notwithstanding any provisions of this Agreement to the contrary, the parties shall not be held liable for any failure or delay in the performance of this Agreement that arises from fires, floods, strikes, embargoes, acts of the public enemy, unusually severe weather, outbreak of war, riots, civil commotion, force majeure, acts of God, or for any other cause of same character which is unavoidable through the exercise of due care and beyond the control of the parties, provided that said failure or delay in the performance of this Agreement attributed to any of the events described herein is acknowledged in writing by HUD. Upon the issuance of HUD's written acknowledgement, the failure to perform shall be deemed excused during the continuance of such circumstances as determined by HUD, but this Agreement shall otherwise remain in effect.

- XVI. In the event of any conflict between terms in this Agreement, including all exhibits, attachments and all other documents specifically incorporated by reference, and HUD's applicable Public Housing requirements including, but not limited to, the Act, HUD regulations there under (and, to the extent applicable, any HUD-approved waivers of regulatory requirements), the ACC, HUD notices, the HUD-approved Declaration of Trust or Declaration of Restrictive Covenants in favor of HUD, and all applicable Federal statutory, executive order and regulatory requirements, as those requirements may be amended from time to time, the applicable Public Housing requirements shall prevail. HUD reserves the right to resolve any conflict.
- XVII. Any modification or amendment of any condition or provision in this Agreement by either party will not imply or constitute a further modification or amendment of the same or any other condition or provision, nor shall it relieve the parties from performing any subsequent obligations strictly in accordance with the term of this Agreement. No modification or amendment shall be effective unless in writing and signed by the party against whom enforcement is sought. Such modification or amendment shall be limited to provisions of this Agreement specifically referred to therein and shall not be deemed a modification or amendment of any other provision. No modification or amendment of this Agreement shall constitute a HUD-approved waiver of regulatory requirements.
- XVIII. Should any term or provision of this Agreement be held, to any extent invalid or unenforceable, as against any person, entity or circumstance during the term hereof, by force of any statute, law, or ruling of any forum of competent jurisdiction, such invalidity shall not affect any other term or provision of this Agreement to the extent that the Agreement shall remain operable, enforceable and in full force and effect to the extent permitted by law.
- XIX. This Agreement may be amended by mutual agreement of the parties; and as required by any applicable amendments to the Act and amendments to or new HUD regulations.
- XX. This Agreement states the entire understanding and agreement between the parties and supersedes any and all written or oral representations, statements, negotiations, or agreements previously existing between the parties with respect to the subject matter of this Agreement. However, this Agreement does not supersede, modify or amend the ACC as further described in Paragraph XXII. The parties recognize that any representations, statements or negotiations made by the staff of either party does not suffice to legally bind either party in a contractual relationship unless they have been reduced to writing and signed by their authorized representative(s). This Agreement shall inure to the benefit of and shall be binding upon the parties, their respective assigns, and successors in interest.

- XXI. This Agreement may be executed and delivered in separate counterparts, which, when so executed and delivered, shall be deemed an original.
- XXII. This Agreement does not supersede, modify or amend the ACC between HUD and the RHA, or in any way excuse the RHA from complying fully with its obligations under the ACC. HUD does not waive its statutory, regulatory or contractual rights. Nothing contained in this Agreement shall serve to limit, modify or preclude HUD's right to take any remedial action allowed by the ACC or any provision of the Act or related regulations. Nothing contained in this Agreement shall serve to limit, modify or preclude HUD or the RHA's right to take any remedial action allowed by the Agreement.
- XXIII. The parties agree that any cost associated with the implementation of this Agreement, the Action Plan and the Sustainability Plan shall be their individual responsibility unless specifically agreed in writing between the parties.
- XXIV. If RHA fails to achieve the goals set forth above within six months of the Recovery Agreement being signed, HUD will notify the PHA in writing of its non-compliance. RHA shall have 90 days from receipt of the written notice of non-compliance to cure any violation within that timeframe. If the non-compliance is not cured during such period, the PHA may be deemed to be in substantial default of this agreement and subject to remedies prescribed at 42 U.S.C. 1437d(j)(3)(A)(iii), at HUD's discretion, including but not limited to withholding discretionary funding; petitioning for administrative receivership and transferring the Public Housing and Housing Choice Voucher programs to another well managed PHA.

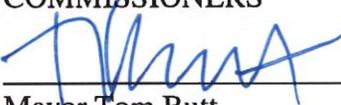
[Signature page follows]

IN WITNESS WHEREOF, the parties or their duly authorized representatives hereby execute this Agreement on the date first written above.

UNITED STATES DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

By: 
Gerard R. Windt
Public Housing Director
San Francisco Field Office

RHA
ATTEST: BY ITS BOARD OF
COMMISSIONERS

By: 
Mayor Tom Butt
Board Chair
RHA

By: 
Nannette Beacham
Executive Director
RHA

Acknowledgement by the City of Richmond

The City of Richmond acknowledges the importance of effective governance as part of the recovery and sustainability of the RHA. The City of Richmond agrees to work in good faith to assist the RHA and HUD accomplish the tasks described in the Action Plan. Should HUD determine that RHA has not complied with this Agreement and that remedies described in this Agreement are appropriate, to the extent that action from the City is required to effectively implement a remedy, the City will cooperate in good faith to facilitate such remedies.

CITY OF RICHMOND, CALIFORNIA

By: 
[Mayor]



Richmond Village Resident Meeting
March 26, 2024
2:30 p.m.

Virtual and Community Viewing

AGENDA

- 1) Welcome/Introductions – Nannette Beacham
- 2) Housekeeping – John Stewart Company
- 3) Richmond Village Overview – Mike Andrews
- 4) Slide Presentation:
 - What is subsidy change? – Mike Andrews
- 5) RAD Facts – Mike Andrews
- 6) Questions?

Richmond Housing Authority

Richmond Village

Welcome to the Public Housing Subsidy Update

March 26, 2024

Richmond Housing Authority

- ➔ Richmond Village will be undergoing a change in subsidy funding for some of its apartments.
- ➔ Right now, approximately 30% of the community uses a program called Project Based Vouchers for subsidy funding.
- ➔ A new program called the Rental Assistance Demonstration program (RAD) would allow the property to convert its public housing units to the Project Based Voucher Program

Why is it Happening?

- Why only Public Housing?
 - Public Housing funding has been declining steadily in recent years due to low congressional support.
 - At some point Public Housing funding may not be able to keep up with the costs of necessary maintenance and improvements.

Why is it Happening?

HUD is encouraging local housing authorities to utilize RAD to transition Public Housing properties to the more stable funding program in order to make sure there are sufficient funds to make ongoing improvements.

The Housing Authority, is working with the owners of Richmond Village and the John Stewart Company to convert to RAD

Why is it Happening?

- The RAD Program utilizes voucher funding.
- Voucher funding has stronger congressional support.
- At a later date, if needed this voucher funding can support new mortgage financing for repairs and improvements.

Q & A

Questions?

New voucher program (RAD), at a glance

Goals of the Program:

- Secure long-term affordability and stability for existing Public Housing residents.
- Address building needs AND anticipated maintenance and repairs over a 20-year period.
- Ensure current residents benefit from the conversion & retain and strengthen resident rights.

KEY FEATURES

**Transfer from
the HUD
Public Housing
program to the
voucher
funding
program**

1

**Your daily
experience
with
management
shouldn't
change**

2

**Funding
provided
for major
improvements
needed over
the next
several years**

3

**Ongoing
affordability -
rents set at
30% of
household
income**

4

CONVERSION TIMELINE

Resident Engagement Phase 1

Resident Engagement Phase 2

RESIDENT CONSULTATION & HUD APPLICATION

Richmond Housing Authority will meet with residents before applying to HUD to convert the property


We Are Here

HUD APPROVAL

HUD approved the property for RAD application at the beginning of 2022..

FINAL SCOPE OF WORK/FINANCING PLAN

Richmond Housing Authority & Owners share what repairs and improvements, if any, to be made to the property.

CONVERSION

Residents will receive new leases.

WHAT YOU CAN EXPECT

**BENEFITS AND CHANGES FOR
RESIDENTS -**

What You Can Expect

Living Conditions

BENEFITS:

There will be an inspection every 2 years to make sure it continues to meet federal housing quality standards. The owner will be required to address any deficiencies promptly to maintain funding.

CHANGES:

You will have to provide access to your apartment for any inspections as do occupants of other project-based vouchers

What You Can Expect

Rents & Leases

BENEFITS:

Your rent will be affordable and set at 30 percent of household income.

CHANGES:

Households now paying a flat rent will experience a rent increase, to be phased in over a 5-year period. Please note that increases in rent due to increase in income are not phased in over the 5-year period. The household's rent may increase slightly if there is a difference in utility allowances.

What You Can Expect

Rents & Leases

BENEFITS:

Your development will remain affordable low-income housing. Every 20 years HUD and the owner are required to renew arrangements/contracts.

CHANGES:

RAD and the Public Housing program—like any other federal program—are subject to legislative and funding changes in Washington.

What You Can Expect

Choice Mobility

BENEFITS:

After 1 year of living in a PBV-unit, residents will have the option to request a Housing Choice Voucher (HCV) to move to a unit in the private market, **if** vouchers are available.

CHANGES:

Residents in a PBV unit will not need to requalify for a HCV, subject to availability. If however, a resident is offered HCV off the wait list, then the family would need to requalify, including program income rules.

For More Information

https://www.hud.gov/sites/dfiles/Housing/documents/RADResidentFactSheet_1_RADOverview.pdf
www.hud.gov/sites/dfiles/Housing/documents/RADResidentFactSheet_2_ResidentsRightsOverview.pdf

Q & A

Questions?

THANK YOU
For Your Time
Today!

FACT SHEET #1

RAD Overview



What is RAD?

RAD stands for Rental Assistance Demonstration. RAD is a tool developed by the U.S. Department of Housing and Urban Development (HUD) to address living conditions in public housing properties. RAD allows public housing authorities to “convert” public housing subsidy into a Section 8 subsidy that is tied to the property. **These fact sheets are intended for residents of public housing properties that may be participating in RAD.**



Why was RAD Created?

Public housing properties across the country need billions of dollars to pay for the repair of broken systems or replacement of outdated appliances. Public housing authorities (PHAs) do not have enough money to keep their public housing properties in good condition and make the necessary repairs. As a result, many public housing residents nationwide have seen conditions at their property worsen.

RAD was created to allow PHAs to access additional sources of funding to maintain, repair, and replace public housing properties. After a RAD conversion, the federal government continues to provide rental assistance through a Section 8 contract and ensures the property remains permanently affordable; residents continue to benefit from the same rights and protections that they had under the public housing program.



What is a RAD Conversion?

A RAD Conversion is the process of changing how the rent subsidy is delivered to a property from the Public Housing program to a Project-Based Section 8 program.



What are PHAs Required to do in a RAD Conversion?

The requirements that PHAs must follow in order for a public housing property to participate in RAD is described in the RAD Implementation Notice published by HUD ([PIH 2019-23/H 2019-09](#)). They include:

- ✓ **The PHA is required to consult with residents throughout the conversion process and consult with the community and Resident Advisory Board (RAB) through the PHA Plan process.**
- ✓ **No resident may be displaced involuntarily. Every resident has a right to remain in the property or to return to the property if temporary relocation is necessary in order to complete repairs or construction.**
- ✓ **The PHA is required to show that it is repairing or replacing all broken or outdated items at the property.** While an inspector will identify the items that need to be replaced or repaired, residents are encouraged to communicate known issues directly to the PHA.
- ✓ **The public housing units must be replaced one-for-one, with limited exceptions.** This means that generally there must be the same amount of affordable housing after the RAD conversion. HUD allows units to be eliminated that have been vacant for 2 or more years, permits up to 5% reduction in total affordable housing units, and allows housing units to convert to community space for services. However, such reductions are rare.
- ✓ **The PHA or a non-profit must continue to own or control the property following RAD conversion.** In most cases the PHA continues to own the property directly. In some cases, the PHA will partner with other affordable housing providers.
- ✓ **All properties enter a long-term (15 to 20 years) Section 8 contract that must be renewed each time that it expires.** This ensures that the property will remain affordable permanently.
- ✓ **Residents keep the same basic rights from public housing and gain a new right to request a “choice-mobility” voucher.** After living in a RAD property for either 1 or 2 years, a family may request a voucher that they can use to rent a qualifying home of their choosing. With the voucher they will continue to pay 30% of their adjusted income towards rent.

These and many other topics are covered in the remaining fact sheets.



Will I Keep My Rental Assistance?

In a word...Yes. **No resident can be displaced involuntarily or pay an unaffordable rent.**

Residents of public housing developments participating in RAD are guaranteed the right to ongoing housing assistance. All residents will either remain in their property, or if temporary relocation is needed to make repairs, be offered the opportunity to return to the property after repairs have been completed. Residents may also choose to accept an alternative housing option, if offered. **Residents under lease in the public housing program cannot be rescreened when the property comes under a Section 8 contract.**



Will RAD Affect My Rent?

Most residents will not have rent increases because of RAD. Like in most public housing, Section 8 residents pay 30% of their income towards rent and utilities. As in public housing, your rent will increase if your income increases and decrease if your income decreases.

However, if you are currently paying a “flat rent” in public housing, your rent will transition to a new formula based on the lower of the Total Tenant Payment minus any utility allowance or other rents in the area. If this transition leads to a rent increase, your new rent may be phased in over 3 to 5 years. Under RAD, you will never pay more than 30% of your household’s adjusted income towards rent. (For more information, see [Fact Sheet #6: Rent](#))



Will I Have to Move?

Most repairs made as part of RAD allow you to stay in your home during construction. However, some apartments and buildings need more extensive repairs that require residents to move out during construction.

In these cases, the PHA will pay for temporary relocation and you will be protected by RAD relocation rules. You will have the **right to return** to the property once construction is completed.

If construction at your property takes longer, the PHA may offer you other housing options, such as another public housing unit or a **tenant-based voucher** that you can use to rent a qualifying home you choose and continue paying 30% of your income towards rent. (For more information, see [Fact Sheet #9: RAD and Relocation](#))



Will RAD Affect My Rights Under My Lease?

RAD maintains the resident processes and rights under public housing, including:

- Requires lease renewal, except with good cause (For more information, see [Fact Sheet #7: Your Lease](#))
- A right to organize and have access to tenant participation funds to support resident organizing and participation (For more information, see [Fact Sheet #8: Resident Organizing and Funding](#))
- Procedures for hearing grievances and minimum timelines for being notified if your assistance is being terminated. (For more information, see [Fact Sheet #10: Resident Grievance and Termination Rights](#))
- Continued participation in FSS, ROSS, or Jobs Plus, while funding remains available. (For more information, see [Fact Sheet #11: Family Self-Sufficiency & Resident Opportunities And Self-Sufficiency](#))

RAD also gives residents a significant new right to request a tenant-based, “choice-mobility,” voucher. (For more information, see [Fact Sheet #12: Choice Mobility](#))



Who Will Own and Manage the Property?

Most but not all public housing is owned by a public housing authority (PHA) and most, but not all, RAD converted properties are also owned by a PHA. Sometimes, the owner of the property changes through RAD. However, in all cases RAD requires that a public entity, generally the PHA, or a non-profit retain ownership or control of the property. In some cases, particularly when the PHA is using the Low-Income Housing Tax Credit (LIHTC) program to fund repairs, the PHA may partner with other housing organizations to own the property together. As with some public housing properties today, the PHA may partner with another company, including a for-profit, to manage the property day-to-day.



How Can I Be Involved?

HUD encourages residents and their PHAs to work together during the RAD conversion process. PHAs are required to hold meetings with residents and send notices at various stages in the conversion process to educate residents about RAD and provide updates on plans. Once the RAD application has been accepted, HUD encourages PHAs to hold quarterly meetings with residents. During these meetings, you can **learn about the conversion plans, ask questions, express concerns, and provide comments**. The PHA must submit your comments and its responses to HUD. (For more information, see [Fact Sheet #5: Resident Engagement and Consultation](#))



How Will the PHA Ensure Everyone Can Participate in the RAD Process

PHAs must provide adequate notice of meetings and work to reduce barriers to resident participation. For example, by providing childcare or refreshments. Meetings should be convenient (place and time) for residents and accessible to residents with disabilities.

Meeting notifications and materials must be available in accessible formats. PHAs must use effective communication for people with disabilities including providing materials in appropriate alternative formats (Braille, large type, accessible email, etc.), and providing sign language interpreters and assistive listening devices at meetings as needed. Electronic (virtual) or in-home meetings should be offered when needed.

The PHA must provide meaningful access to its programs and activities for people who have a limited ability to read, speak, or understand English. Language assistance may include providing translated notices and oral interpretation of meetings.



Who Can I Talk to if I Have Questions?

You should talk to a PHA representative if you have specific questions about the RAD conversion process and the specific plans for your property. You may also direct any questions to HUD at rad@hud.gov and Office of Recapitalization staff will respond confirming receipt and indicating next steps.



Chicago, IL: A resident enjoys his newly renovated kitchen in the Fannie Emanuel Apartments. The 181-unit senior apartment building was the first RAD conversion by the Chicago Housing Authority.

FACT SHEET #2

Overview of Resident Rights after a RAD Conversion



RAD was designed with a strong set of resident rights and protections to ensure that current residents benefit from the RAD conversion.



Will I Be Able to Participate in the RAD Process?

Yes. The PHA must engage with residents through both written notifications and at least five meetings during the RAD process. PHAs must use effective communication for people with disabilities including, as needed, providing materials in alternative formats and providing alternative meeting options, sign language interpreters and assistive listening devices at meetings. The PHA must also provide meaningful access to its programs and activities for people who have a limited ability to read, speak, or understand English, using, as needed, translation of written information and oral interpretation of meetings. (For more information, see [Fact Sheet #5: Resident Engagement and Consultation](#).)



Will I Still Have Rental Assistance After a RAD Conversion?

Yes. Each resident in good standing at the public housing property has a right to live in the property after a RAD conversion. In some cases, a resident may need to be relocated temporarily to facilitate rehabilitation but will have a right to return to an assisted unit at the property once rehabilitation or construction is complete. **No resident can be displaced permanently against their wishes.**

Residents under lease in the public housing program cannot be re-screened for income or criminal background when the property comes under a Section 8 contract. Each resident will be offered a new lease that cannot be terminated and must be renewed, unless there is good cause. (For more information, see [Fact Sheet #9: RAD and Relocation](#))



Will I Need to Move Out of My Home?

It depends on the construction that will occur at your property. If relocation is necessary, the housing authority must provide you with advanced written notice. Relocation assistance will be provided and relocation costs will be covered. Residents will continue to pay the same amount of rent during the temporary relocation. You will also have the right to return to an assisted unit at the property when repairs are completed. (For more information, see [Fact Sheet #9: RAD and Relocation](#))



Will My Rent Change?

Most residents' rent will remain the same. As in most public housing, rents at RAD (Section 8) properties are set at 30% of your adjusted household income.

However, if you currently pay a flat rent in public housing, your rent will transition to a new formula based on the lower of the Total Tenant Payment minus any utility allowance or other rents in the area. If this transition leads to a rent increase, your new rent may be phased in over 3 to 5 years. As in public housing, you will have to recertify your income annually and report any changes. And, if your income decreases, you have a right to request an interim recertification and an adjustment in your rent. Under RAD, you will never pay more than 30% of your household's adjusted income towards rent. (For more information, see [Fact Sheet #6: Rent](#))



Will I Have a New Lease?

After HUD has fully approved a property for conversion, you will need to sign a new Section 8 lease and other paperwork regarding your rights and responsibilities under the Section 8 program. Make sure that everyone in your household is on your public housing lease to ensure that they have the right to remain or return to the property after conversion. (For more information, see [Fact Sheet #7: Your Lease](#))



Will Residents Continue to Be Able to Form Resident Organizations or Associations After a RAD Conversion?

As with public housing, after a property converts through RAD, residents have the right to form and maintain a resident organization. The resident organization will be eligible to receive at least \$15 per occupied apartment each year to support resident organizing and participation activities. (For more information, see [Fact Sheet #8: Resident Organizing and Funding](#))



May I Request a Reasonable Accommodation After Conversion?

If you or a member of your household has a disability or medical condition, you may request a reasonable accommodation, such as a larger apartment or an alternative form of communication for the blind, visually impaired, deaf or hearing impaired. To request a reasonable accommodation, you should contact the property manager.



Can I Be Evicted or Lose My Housing Assistance Because of RAD?

After a RAD conversion your lease must be renewed each year. The only reason a lease can be ended is for "good cause." This means that the owner must have a good reason for eviction, usually that a tenant has seriously and repeatedly broken the rules in their lease. Under RAD, you maintain the rights you had

Fact Sheet #2: Overview of Resident Rights after a RAD Conversion

related to eviction from public housing. Any eviction must include a written notice of termination and an opportunity for a hearing (unless the eviction is related to criminal activity). Your lease will describe these rights. You may only be evicted through court action. All state and local regulations regarding eviction must also be followed. (For more information, see [Fact Sheet #7: Your Lease](#) and [Fact Sheet #10: Resident Grievance and Termination Rights](#))



Am I Able to Receive a Tenant-Based Voucher After RAD Conversion?

Any household that has lived at the RAD property for least one year (if the property converted to Project-based Vouchers, or PBV) or two years (if the property converted to Project-based Rental Assistance, or PBRA) has the option to request a tenant-based (or Choice Mobility) voucher. A Choice Mobility voucher can be used to rent a home in the private market. If a voucher is not immediately available, the household will be placed at the top of the waitlist. (For more information, see [Fact Sheet #12: Choice Mobility](#))



North Bern, Victor Taylor: Mr. Taylor stands in front of the newly renovated unit where he was born. Mr Taylor, a veteran and former City Alderman who continues to advocate for the community, was excited to see the upgrades and new community center.



Richmond Housing Authority (RHA)

Economic Development

AGENDA REPORT

DATE:	June 18, 2024
TO:	Chair Martinez and Members of the Richmond Housing Authority Board of Commissioners
FROM:	Nannette Beacham, Director of Economic Development Shannon Moore, Chief Assistant City Attorney Gabino Arredondo, RHA Interim Executive Director
Subject:	Edrington Schirmer & Murphy LLP Contract Amendment #3
FINANCIAL IMPACT:	The cost associated with the contract will be drawn from the Housing Authority's Public Housing Operating Subsidy (Account String = Fiscal Year (FY) 23-24, 44545191-400206, \$50,000; FY 24-25, 44545191-400206, \$25,000).
PREVIOUS COUNCIL ACTION:	May 21, 2019
STATEMENT OF THE ISSUE:	Staff is requesting that the RHA Board of Commissioners approve a contract amendment for as-needed lease enforcement and unlawful detainer (UD) legal services for the RHA's public housing sites. The current contract has reached its contract limit and term.
RECOMMENDED ACTION:	ADOPT a resolution authorizing Richmond Housing Authority's Executive Director to enter into a third contract amendment with Edrington Schirmer & Murphy LLP for as needed lease enforcement and unlawful detainer legal services for an increased contract amount of \$75,000 for a new total contract amount not to exceed \$450,000 with a new term ending December 31, 2025 –

	Richmond Housing Authority (Gabino Arredondo 620-6606/Shannon Moore 621-1309).
--	--

DISCUSSION:

The RHA requires the use of attorneys who specialize in lease enforcement and unlawful detainer matters. On May 21, 2019, Edrington Schirmer & Murphy LLP was originally selected and approved by the RHA Board of Commissioners through a competitive procurement process and approved a \$375,000 contract for a three-year period with two optional one-year extensions.

The legal services of Edrington Schirmer & Murphy LLP have been satisfactory and continue to be needed due to the fact they are still working on active compliance matters and legal cases. The current legal service contract has reached its contract limit and term. Next steps will include RHA beginning a new Request for Proposals (RFP) procurement process for legal services in late June 2024 with a goal to have new approved firms by September 2024. To maintain legal services during the interim period between the expiration of the contract with Edrington Schirmer & Murphy LLP and the commencement of a subsequent contract entered into pursuant to RFP processes, RHA seeks approval by resolution to authorize RHA’s Executive Director to enter into a third amendment to the contract with Edrington Schirmer & Murphy LLP for the purposes of increasing the contract’s not to exceed amount by \$75,000, for a new total not to exceed amount of \$450,000, and extend the term of the contract by a period of six (6) months, for a new contract expiration date of December 31, 2024.

DOCUMENTS ATTACHED:

- Attachment 1 - Resolution
- Attachment 2 - Draft Amendment #3
- Attachment 3 - Amendment #2
- Attachment 4 - Amendment #1
- Attachment 5 - Original Contract

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RICHMOND, CALIFORNIA, AUTHORIZING A THIRD CONTRACT AMENDMENT WITH EDRINGTON SCHIRMER & MURPHY LLP FOR AS NEEDED LEASE ENFORCEMENT AND UNLAWFUL DETAINER LEGAL SERVICES IN AN AMOUNT OF \$75,000 FOR A TOTAL AMOUNT NOT TO EXCEED \$450,000 WITH A TERM ENDING DECEMBER 31, 2025

WHEREAS, The City of Richmond Housing Authority (RHA) owns and manages 100 units of rental housing; and

WHEREAS, RHA entered into a Public Housing Authority Recovery and Sustainability (PHARS) agreement with the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, RHA remains obligated and committed to performing all HUD required functions, and providing quality service to local program participants; and

WHEREAS, the Housing Authority is in need of unlawful detainer (UD) legal services and, on February 4, 2019, a Request for Proposals (RFP) was posted on the City of Richmond's bids online, with proposals due on February 21, 2019; and

WHEREAS, Edrington Schirmer & Murphy LLP, was considered a highly qualified candidate based on the RFP selection criteria; and

WHEREAS, on May 21, 2019, Edrington Schirmer & Murphy LLP was determined to have the expertise necessary to represent RHA in unlawful detainer matters and granted an original agreement \$225,000 with a term ending June 30, 2022; and

WHEREAS, on June 22, 2022, the first contract amendment was entered with Edrington Schirmer & Murphy LLP, modifying the scope of work and fees, increasing the contract limit by \$75,000 for a new compensation limit of \$300,000 and extending the term to June 30, 2023; and

WHEREAS, on June, 29 2023, the second contract amendment was entered with Edrington Schirmer & Murphy LLP, increasing the contract limit by \$75,000 for a new compensation limit \$375,000 with a term ending June 30, 2024; and

WHEREAS, RHA staff now desire to again amend the contract with Edrington Schirmer & Murphy LLP to increase the contract payment limit and to extend the contract term.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RICHMOND, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA THAT the RHA Executive Director is authorized to enter a third contract amendment with Edrington Schirmer & Murphy for as needed UD legal services, to increase the contract not to exceed amount by \$75,000, for a new total contract amount not to exceed \$450,000, and to extend the contract term by six (6) months, for a new contract expiration date of December 31, 2024.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to take all actions necessary to implement this resolution.

*****THE CLERK'S OFFICE WILL COMPLETE THE INFORMATION BELOW*****

I certify that the foregoing resolution was passed and adopted by the Richmond Housing Authority Board of Commissioners at a regular meeting thereof held on Mmmm dd, yyyy, by the

Reso. No. _____
Page 1 of 2

following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:

Mayor

Approved as to form:

City Attorney

State of California }
County of Contra Costa } : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No.** _____, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on Mmmm dd, yyyy.

Pamela Christian, Clerk of the City of Richmond

**THIRD AMENDMENT TO AGREEMENT FOR LEGAL SERVICES
BETWEEN
THE CITY OF RICHMOND
AND
EDRINGTON, SCHIRMER & MURPHY, LLP**

This Third Amendment to the Agreement for Legal Services between the Richmond Housing Authority, a public body corporate and politic (“RHA”) with its principle place of business located at 450 Civic Center Plaza, 2nd Floor, Richmond, California 94804 and **EDRINGTON, SCHIRMER & MURPHY, LLP** (“Special Counsel”) (the "Third Amendment") is entered into as of **March 5, 2024**, by and between the City and Special Counsel with reference to the following facts:

RECITALS

WHEREAS, the City and Special Counsel entered into that certain Legal Services Agreement (“Original Agreement”) with a term commencing May 7, 2019, and ending June 30, 2020, for a total compensation limit not to exceed Two Hundred and Twenty-Five Thousand Dollars (\$225,000) for representation of the City and City-related entities; and

WHEREAS, the City and Special Counsel entered into the First Amendment to the Original Agreement on June 22, 2022, to extend the term of the Agreement to June 30, 2023, and increase the compensation limit by Seventy-Five Thousand Dollars (\$75,000) for a new compensation limit not to exceed Three-Hundred Thousand Dollars (\$300,000); and

WHEREAS, the City and Special Counsel entered into the Second Amendment to the Original Agreement on June 29, 2023, to extend the term of the Agreement to June 30, 2024, and increase the compensation limit by Seventy-Five Thousand Dollars (\$75,000) for a new compensation limit not to exceed Three-Hundred Seventy-Five-Thousand Dollars (\$375,000); and

WHEREAS, the City now desires for Special Counsel to continue its representation of the City and to increase the compensation limit by Seventy-Five Thousand Dollars (\$75,000) for a new compensation limit not to exceed of Four-Hundred Fifty-Thousand-Dollars (\$450,000) ; and

WHEREAS, the City and Special Counsel desire to further amend the Original Agreement pursuant to this Third Amendment.

NOW, THEREFORE, in consideration of the recitals hereof, and other mutual covenants and promises contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Special Counsel agree as follows:

1. Amendment. Section 3 of the Agreement, TERM OF AGREEMENT, is amended to read as follows:

3. TERM OF AGREEMENT.

The services of Special Counsel are to commence upon the Effective Date of this Agreement and shall terminate on December 31, 2025, unless the parties extend the Agreement in writing. The services shall be undertaken and completed in such sequence as to assure their completion as expeditiously as is consistent with professional skill and care.

2. Effect of Third Amendment. Except as provided in this Third Amendment, all other terms of the Original Agreement shall remain in full force and effect.
3. Counterparts. This Third Amendment may be executed in counterparts each of which shall be an original and all of which shall constitute one and the same instrument.

[Signatures on following page]

IN WITNESS WHEREOF, the City and Special Counsel have caused this Second Amendment to be effective as of the last date written above.

**EDRINGTON, SCHIRMER & MURPHY, RICHMOND HOUSING AUTHORITY
LLP**

By: _____
Executive Director

Title: _____ Name: _____

APPROVED AS TO FORM

Richmond Housing Authority
Attorney

ATTEST:

City Clerk

Attachment 1

SCOPE OF WORK AND SCHEDULE OF FEES & CHARGES

Special Counsel shall represent the Richmond Housing Authority in unlawful detainers.
(City of Richmond Contact Attorney: *Alan M. Cohen, Senior Assistant City Attorney*)

Hourly Rates:

KEITH R. SCHIRMER	\$225/hour
TIMOTHY P. MURPHY	\$225/hour
JAMES M. MARZAN	\$225/hour
CODY L. SAAL	\$210/hour
JAMES H. LY	\$210/hour
MEGAN M. SYMONDS	\$210/hour
JORDAN C. MEYER	\$210/hour

Compensation:

Only those costs and expenses set forth in Section III of Exhibit "B", entitled "Reimbursements" shall be paid to Special Counsel.

Total compensation for legal services and reimbursements shall be charged in accordance with Exhibits "A" and "B" and shall not exceed Four Hundred Fifty Thousand Dollars (\$450,000) for attorneys' fees and reimbursements.

**SECOND AMENDMENT TO AGREEMENT FOR LEGAL
SERVICES BETWEEN
THE CITY OF RICHMOND
AND
EDRINGTON, SCHIRMER & MURPHY, LLP**

This Second Amendment to the Agreement for Legal Services between the Richmond Housing Authority, a public body corporate and politic (“RHA”) with its principle place of business located at 450 Civic Center Plaza, 2nd Floor, Richmond, California 94804 and **EDRINGTON, SCHIRMER & MURPHY, LLP** (“Special Counsel”) (the "Second Amendment") is entered into as of **June 29, 2023**, by and between the City and Special Counsel with reference to the following facts:

RECITALS

WHEREAS, the City and Special Counsel entered into that certain Legal Services Agreement (“Original Agreement”) with a term commencing May 7, 2019, and ending June 30, 2020, for a total compensation limit not to exceed Two Hundred and Twenty-Five Thousand Dollars (\$225,000) for representation of the City and City-related entities; and

WHEREAS, the City and entered into the First Amendment to the Original Agreement on June 22, 2022, to extend the term of the Agreement to June 30, 2023, and increase the compensation limit by Seventy-Five Thousand Dollars (\$75,000) for a new compensation limit not to exceed Three-Hundred Thousand Dollars (\$300,000); and

WHEREAS, the City now desires for Special Counsel to continue its representation of the City and to increase the compensation limit by Seventy-Five Thousand Dollars (\$75,000) for a new compensation limit not to exceed of Three-Hundred Seventy-Five-Thousand-Dollars (\$375,000) and to extend the term of the Agreement to June 30, 2024; and

WHEREAS, the City and Special Counsel desire to further amend the Original Agreement pursuant to this Second Amendment.

NOW, THEREFORE, in consideration of the recitals hereof, and other mutual covenants and promises contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Special Counsel agree as follows:

1. Amendment. Section 3 of the Agreement, TERM OF AGREEMENT, is amended to read as follows:

3. TERM OF AGREEMENT.

The services of Special Counsel are to commence upon the Effective Date of this Agreement and shall terminate on June 30, 2024, unless the parties extend the Agreement in writing. The services shall be undertaken and completed in such sequence as to assure their completion as expeditiously as is consistent with professional skill and care.

2. Effect of Second Amendment. Except as provided in this Second Amendment, all other terms of the Original Agreement shall remain in full force and effect.
3. Counterparts. This Second Amendment may be executed in counterparts each of which shall be an original and all of which shall constitute one and the same instrument.

[Signatures on following page]

IN WITNESS WHEREOF, the City and Special Counsel have caused this Second Amendment to be effective as of the last date written above.

**EDRINGTON, SCHIRMER & MURPHY, RICHMOND HOUSING AUTHORITY
LLP**

By: DocuSigned by:
Timothy P. Murphy, Esq., Partner, Edrington, Schirmer & Murphy LLP
A7450C71C17445B...

Title: Attorney/Partner

DocuSigned by:
Gabino Arredondo
43B2A6C64B4B46F...
Executive Director

Name: Gabino Arredondo

APPROVED AS TO FORM

DocuSigned by:
JA For
0F098C1E4C50485...
Richmond Housing Authority
Attorney

ATTEST:

DocuSigned by:
Ursula DeLoa, Deputy City Clerk
DE73F2339944495...
City Clerk

Attachment 1

SCOPE OF WORK AND SCHEDULE OF FEES & CHARGES

Special Counsel shall represent the Richmond Housing Authority in unlawful detainers.
(City of Richmond Contact Attorney: *Alan M. Cohen, Senior Assistant City Attorney*)

Hourly Rates:

KEITH R. SCHIRMER	\$225/hour
TIMOTHY P. MURPHY	\$225/hour
JAMES M. MARZAN	\$225/hour
CODY L. SAAL	\$210/hour
JAMES H. LY	\$210/hour
MEGAN M. SYMONDS	\$210/hour
JORDAN C. MEYER	\$210/hour

Compensation:

Only those costs and expenses set forth in Section III of Exhibit "B", entitled "Reimbursements" shall be paid to Special Counsel.

Total compensation for legal services and reimbursements shall be charged in accordance with Exhibits "A" and "B" and shall not exceed Three Hundred Seventy-Five Thousand Dollars (\$375,000) for attorneys' fees and reimbursements.

**FIRST AMENDMENT TO AGREEMENT FOR LEGAL SERVICES
BETWEEN
THE CITY OF RICHMOND
AND
EDRINGTON, SCHIRMER & MURPHY, LLP**

This First Amendment to the Agreement for Legal Services between the Richmond Housing Authority, a public body corporate and politic ("RHA"), with its principle place of business located at 330 24th Street Richmond, California 94804 and **EDRINGTON, SCHIRMER & MURPHY, LLP** ("Special Counsel") (the "First Amendment") is entered into as of **JUNE 22, 2022**, by and between the City and Special Counsel with reference to the following facts:

RECITALS

WHEREAS, the City and Special Counsel entered into that certain Legal Services Agreement ("Original Agreement") for representation of the City and City-related entities; and

WHEREAS, the City now desires for Special Counsel to continue its representation of the City and to increase compensation limit by Seventy Five Thousand Dollars (\$75,000) and extend the term of the agreement to JUNE 30, 2023; and

WHEREAS, the City and Special Counsel desire to amend the Original Agreement pursuant to this First Amendment.

NOW, THEREFORE, in consideration of the recitals hereof, and other mutual covenants and promises contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Special Counsel agree as follows:

1. Exhibit A of the Original Agreement, "Scope of Work and Schedule of Fees & Charges," is hereby amended to read as shown in Attachment 1 to this First Amendment.
2. Amendment to Paragraph 3 is amended to read as follows: The services of Special Counsel are to commence upon the Effective Date of this Agreement and shall terminate on **JUNE 30, 2023**, unless the parties extend the Agreement in writing. The services shall be undertaken and completed in such sequence as to assure their completion as expeditiously as is consistent with professional skill and care.
3. Effect of First Amendment. Except as provided in this First Amendment, all other terms of the Original Agreement shall remain in full force and effect.
4. Counterparts. This First Amendment may be executed in counterparts each of which shall be an original and all of which shall constitute one and the same instrument.

5. Paragraph 6 is amended to read as: Special Counsel shall, within fifteen (15) days after the end of each month in which services are performed under this Agreement, submit to the Richmond Housing Authority an itemized bill describing in detail the specific services performed as set forth in this Agreement. This bill shall be submitted to:

Attention: City of Richmond, Finance Department – Accounts Payable
Project Manager: Nannette Beacham: Richmond Housing Authority
PO Box 4046
Richmond, CA 94804-0046

6. Paragraph 21 is amended to read as: All notices, reports or other communication to the Parties shall be properly sent via electronic mail to nbeacham@rhaca.org and cc to [shannon moore@ci.richmond.ca.us](mailto:shannon_moore@ci.richmond.ca.us) and sent to Special Counsel at its principal place of business listed on page on of the Original Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the City and Special Counsel have caused this First Amendment to be effective as of the last date written above.

CITY OF RICHMOND

EDRINGTON, SCHIRMER &
MURPHY, LLP

DocuSigned by:
Nannette J. Beacham
49F9CD42219A417...
Mayor/Designee

DocuSigned by:
Timothy Murphy
A7450C71C17445B...
By _____
Title Attorney/Partner _____

Attest:

DocuSigned by:
Pamela Christian
C6643BFF4A43406...
By: _____
City Clerk

Approved as to form:

DocuSigned by:
Leather C. McLaughlin
065D8D2E8EAC4C9...
By: _____
City Attorney

Attachment 1

SCOPE OF WORK AND SCHEDULE OF FEES & CHARGES

Scope of work:

Special Counsel shall represent the Richmond Housing Authority in unlawful detainers.

(City of Richmond Contact Attorney: Shannon Moore, Sr. Assistant City Attorney)

Schedule of Fees & Charges:

Hourly Rates

KEITH R. SCHIRMER	\$225/hour
TIMOTHY P. MURPHY	\$225/hour
JAMES M. MARZAN	\$225/hour
CODY L. SAAL	\$210/hour
JAMES H. LY	\$210/hour
MEGAN M. SYMONDS	\$210/hour
JORDAN C. MEYER	\$210/hour

Compensation:

Only those costs and expenses set forth in Section III of Exhibit "B", entitled "Reimbursements" shall be paid to Special Counsel.

Total compensation for legal services and reimbursements shall be charged in accordance with Exhibits "A" and "B" and shall not exceed \$375,000 per firm.

**LEGAL SERVICES AGREEMENT
BY AND BETWEEN
THE RICHMOND HOUSING AUTHORITY
AND
EDRINGTON, SCHIRMER & MURPHY, LLP**

PREAMBLE

This legal services agreement (“Agreement”) is made and entered into on this 7TH day of MAY, 2019 (the “Effective Date”) by and between the Richmond Housing Authority, a public body, corporate and politic (“RHA”), with its principal place of business located at 330 24th Street, Richmond, California 94804 and EDRINGTON, SCHIRMER & MURPHY, LLP comprised of attorneys licensed to practice law in the State of California (“Special Counsel”) with its principal place of business located at 2300 CONTRA COSTA BOULEVARD, SUITE 450, PLEASANT HILL, CA 94523-3936. Special Counsel may be referred to herein individually as a “Party” or collectively as the “Parties” or the “Parties to this Agreement.”

RECITALS

The following recitals are as follows:

- A. The Richmond Housing Authority desires to secure professional services more fully described in this Agreement; and,
- B. Special Counsel represents that it has the professional qualifications, expertise, necessary licenses and desire to provide legal services of the quality and type, which meet objectives, and requirements of the Richmond Housing Authority.

AGREEMENT PROVISIONS

The Parties agree as follows:

- 1. **RETENTION OF FIRM.**
 - A. The Richmond Housing Authority hereby confirms, retains and authorizes Special Counsel to represent the Richmond Housing Authority and provide legal services as may be requested, from time to time, orally or in writing, by authorized representatives of the Richmond Housing Authority on an as-needed basis. By this Agreement, the Richmond Housing Authority is retaining Special Counsel and not individual members of the Special Counsel. Special Counsel’s client is the Richmond Housing Authority, as a public entity, and not any of its individual members, groups of individuals or any other entity.
- 2. **DESCRIPTION OF SERVICES TO BE PROVIDED.**

These services may include, but are not limited to, providing advice and counsel on legal matters affecting the Richmond Housing Authority, performing legal research, representing the Richmond Housing Authority in judicial proceedings in state and/or federal court or other dispute resolution forums or before administrative agencies, negotiating contracts and drafting contracts, correspondence and other legal documents as may become necessary. These services shall also include the preparation and delivery of status reports to the Richmond Housing Authority as specified in paragraph 11 of this Agreement.

3. TERM OF AGREEMENT.

The services of Special Counsel are to commence upon the Effective Date of this Agreement and shall terminate on JUNE 30 2022, unless the parties extend the Agreement in writing. The services shall be undertaken and completed in such sequence as to assure their completion as expeditiously as is consistent with professional skill and care.

4. ASSIGNMENT OF DUTIES.

It is contemplated that no other attorney will be assigned from Special Counsel other than KEITH R. SCHIRMER, TIMOTHY P. MURPHY, JAMES M. MARZAN, CODY L. SAAL, JAMES H. LY, MEGAN M. SYMONDS, AND JORDAN C. MEYER. It is agreed by and between the Parties that should it be desirable for any attorney other than KEITH R. SCHIRMER, TIMOTHY P. MURPHY, JAMES M. MARZAN, CODY L. SAAL, JAMES H. LY, MEGAN M. SYMONDS, AND JORDAN C. MEYER to work under this Agreement, such attorney may only be added with the express oral consent of the City Attorney. Should any associate in the Special Counsel be assigned any task under this Agreement that exceeds three (3) billable hours per month, City Attorney should approve the assignment of such associate orally.

5. PAYMENT FOR SERVICE.

In consideration for Special Counsel's performance of legal services on behalf of the Richmond Housing Authority under the terms of this Agreement, and upon review and approval of Special Counsel's bill by the Executive Director of the Richmond Housing Authority, Special Counsel shall be compensated at the preapproved hourly rates and for authorized expenses set forth in the "Scope of Work and Schedule of Fees and Charges" set forth in **Exhibit A**, attached and incorporated by this reference. Fees for services performed by retained consultants, subcontractors, experts or other personnel may be billed to the Richmond Housing Authority only if approved in writing by the City Attorney. **Exhibit A** may be amended from time to time by letter agreement duly signed and approved by the City Attorney.

6. BILLING INVOICES.

Special Counsel shall, within fifteen (15) days after the end of each month in which

services are performed under this Agreement, submit to the Richmond Housing Authority an itemized bill describing in detail the specific services performed as set forth in this Agreement. Special Counsel shall adhere to the Protocols and Guidelines set forth in **Exhibit B**, attached and incorporated by this reference. The bill shall be submitted to:

Richmond Housing Authority
330 24th Street
Richmond, CA 94804
Attn : Nannette Beacham, Housing Authority Director

7. PROJECT PLAN AND BUDGET AND RESERVES.

Special Counsel shall provide a project plan and budget for any project or case assigned to Special Counsel under this Agreement. Project plans and budgets shall conform to the guidelines set forth in **Exhibit C** (Project Plan and Budget) and **Exhibit D** (Mandatory Case Reporting Policy), when the case is reportable to the Richmond Housing Authority's excess insurance carrier, California Joint Powers Risk Management Authority (CJPRMA). If the case is reportable to CJPRMA, Special Counsel shall provide an initial report notifying them of the claim or lawsuit within 30 days of receipt of the assignment and the estimated exposure. The City Attorney and Risk Manager shall be copied on all correspondence sent to CJPRMA.

8. LITIGATION GUIDELINES.

When litigation is included in the scope of work, litigation guidelines as specified in **Exhibit E** are to be followed.

9. BILLING.

Special Counsel shall scrupulously examine all bills submitted for services rendered under this Agreement to assure that appropriate billing judgment is employed in billing the Richmond Housing Authority for service. Special Counsel shall not bill for hours other than those hours expressly devoted to the tasks approved in advance by the Richmond Housing Authority Attorney. Special Counsel agrees it will not bill for time, which is not specifically devoted to the task(s). Special Counsel shall not use legal professionals for secretarial work and under no circumstances shall Special Counsel have lawyers billing for making copies, scheduling appointments or taking care of matters or work that would otherwise be work performed by a law clerk, assistant or secretary.

10. STATUS REPORTS.

Special Counsel shall, every thirty (30) days, submit via electronic mail a written update setting forth a summary of activities performed on behalf of the Richmond Housing Authority during the preceding month, the current status of each pending matter, results obtained or expected to be obtained, a summary of invoices for the preceding month and other information relating to the services rendered as the Richmond Housing Authority

may reasonably request. The update should be emailed to the City Attorney with a copy to the Risk Manager and CJPRMA, if applicable. Please keep the status reports brief and spend no more than one (1) hour billing for your time. Please also attach any referenced filings to your status report.

11. TERMINATION.

Either Party may terminate this Agreement by providing written notice to the other. Any termination hereunder shall become effective immediately upon receipt of written notice of termination; provided, however, that Special Counsel may exercise its right of termination only to the extent and under terms and conditions consistent with the obligations of Special Counsel under the Rules of Professional Conduct of the State Bar of California; and provided, that in the event of termination, the amount due Special Counsel for services rendered and costs and expenses incurred prior to termination shall remain due and payable. Special Counsel agrees to turn over to any attorney substituted in its place, the entire file and attorney work product regarding any such matter within seven (7) days of any such termination.

12. CONFLICTS OF INTEREST.

- A. No member of the governing body of the Richmond Housing Authority, and no other officer, employee or agent of the Richmond Housing Authority who exercises any discretion, function or responsibility in connection with the carrying out of any project to which this Agreement pertains, shall have any personal interest, direct or indirect, in this Agreement.
- B. Special Counsel agrees to secure the informed written consent of the City Attorney before accepting any representation adverse to the Richmond Housing Authority (actual or apparent) during the term of this Agreement, and to forego the representation if the City Attorney, in his or her sole discretion, objects for any reason. This provision is intended to supercede all applicable rules of professional conduct relating to conflict of interest.

13. ASSIGNMENTS AND SUCCESSORS IN INTEREST.

The Richmond Housing Authority and Special Counsel bind themselves, their partners, successors, assigns, executors and administrators to the terms of this Agreement. Except as otherwise set forth in this Agreement, no interest in this Agreement or any of the work provided for in this Agreement shall be assigned or transferred, either voluntarily or by operation of law, without the prior written approval of the City Attorney.

14. AUDITS, RECORDS, AND DOCUMENTATION.

- A. The Richmond Housing Authority and any other federal, State or local governmental

agency, and any of their authorized auditors or representatives, including auditors, shall have access to, and the right to audit and reproduce any of Special Counsel's records to the extent the Richmond Housing Authority or such other governmental agency deems necessary to ensure that the Richmond Housing Authority is paying only the amounts to which Special Counsel is properly entitled or for other purposes relating to the Agreement. Special Counsel shall assist the Richmond Housing Authority in responding to any requests from the Richmond Housing Authority's auditors, and Special Counsel shall not bill the Richmond Housing Authority for any time spent responding to any such audit requests.

- B. Special Counsel shall maintain complete and accurate records of the services provided to the Richmond Housing Authority and expenses incurred on behalf of the Richmond Housing Authority. Special Counsel shall maintain and preserve all such records for at least three (3) years after termination of the Agreement or until an audit has been completed and accepted in writing by the Richmond Housing Authority. Upon written notice by the Richmond Housing Authority, the Special Counsel shall promptly make all such records available to auditors or other representatives of the Richmond Housing Authority or other governmental agencies.

15. NON-DISCRIMINATION.

- A. As set forth in Chapter 2.28 of Richmond Municipal Code, no discrimination will be made in the employment of any person under this Agreement because of race, religious creed, sex, sexual orientation, national origin or ancestry. Special Counsel agrees to meet all requirements of the Richmond Municipal Code pertaining to nondiscrimination in employment.
- B. If Special Counsel is found in violation of the nondiscrimination provisions of the State of California Fair Employment Practices Act or similar provisions of federal law or executive order in the performance of this Agreement, it will be in default of this Agreement. Thereupon, the Richmond Housing Authority will have the power to cancel or suspend this Agreement, in whole or in part.

16. HOLD HARMLESS/INDEMNIFICATION.

Special Counsel agrees to indemnify, hold harmless, release and defend to the maximum extent permitted by law, and covenants not to sue, the Richmond Housing Authority, its City Council and each member thereof, and its officers, employees, commission members and representatives, from any and all liability, loss, suits, claims, damages, costs, judgments and expenses (including attorney's fees and costs of litigation) which in whole or in part result from, or arise out of, any negligent acts, errors or omissions (including, without limitation, professional negligence) of Special Counsel, its employees, representatives, subcontractors, or agents in connection with the performance of this Agreement. This Agreement to indemnify, hold harmless, release and defend includes, but is not limited to, personal injury (including death at any time) and property or other damage (including, but without limitation, contract or tort or patent, copyright, trade secret or trademark infringement) sustained by any

person or persons (including, but not limited to, companies, or corporations, Special Counsel and its employees or agents, and members of the general public).

17. INSURANCE REQUIREMENTS.

Special Counsel shall maintain in full force and effect the following insurance policies:

- A. Commercial general liability policy (bodily injury and property damage);
- B. Worker's compensation/employer's liability policy;
- C. Business automobile liability insurance policy; and,
- D. Professional liability policy.

Said policies shall be maintained with respect to employees and vehicles assigned to the performance of work under this Agreement with coverage amounts, endorsements, certificates of insurance and coverage verifications as defined in **Exhibit F**, attached to this Agreement and incorporated by this reference.

18. CONFIDENTIALITY AND DISCLOSURE.

The data, information and reports acquired or prepared by Special Counsel in connection with matters upon which the Richmond Housing Authority has retained Special Counsel shall not be shown or distributed to any other public or private person or entity except as authorized by the City Attorney and in no event prior to having been first disclosed to the City Attorney. All information, documents, records, reports, data or other materials furnished by the Richmond Housing Authority to Special Counsel or other such information, documents, records, data or other materials to which the Special Counsel has access during its performance pursuant to this Agreement are deemed confidential and shall remain the property of the Richmond Housing Authority. Special Counsel shall not make oral or written disclosure of such documents or materials, other than as necessary for its performance under this Agreement, without the prior written approval of the City Attorney.

19. AMENDMENTS.

This Agreement, including any Exhibits attached to it, represents the entire understanding of the Parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may be modified only by a written amendment duly executed by the Parties to this Agreement.

20. ENGAGEMENT OF OTHER COUNSEL, SPECIALISTS, OR EXPERTS.

Special Counsel will not engage or otherwise incur an obligation to pay other counsel, specialists, or experts for services in connection with this Agreement without the prior written approval of the City Attorney.

21. NOTICES.

All notices, invoices, reports or other communication to the Parties shall be properly sent via electronic mail to nbeacham@rhaca.org and cc to bruce_goodmiller@ci.richmond.ca.us and shannon_moore@ci.richmond.ca.us and to Special Counsel at its principal place of business listed on page one of this Agreement.

Either Party may change its address for receipt of notices under this Agreement by notice given in the manner provided herein.

22. LAW GOVERNING AGREEMENT.

This Agreement shall be interpreted under the laws of the State of California. All claims or controversies arising out of or related to performance under this Agreement shall be submitted to and resolved in a forum within Contra Costa County.

23. INVALID PROVISIONS.

If any provision of this Agreement is held to be illegal, invalid or unenforceable, in full or in part, then such provision shall be modified to the minimum extent necessary to make the provision legal, valid and enforceable, and the other provisions of this Agreement shall not be affected thereby.

24. LICENSE REQUIREMENTS.

Special Counsel shall demonstrate that the attorney(s) who provide legal services to the Richmond Housing Authority under this Agreement are licensed to practice law in the State of California and, if not, indicate to the satisfaction of the City Attorney why such license is not required to perform the services required.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives. It is the intent of the Parties that this Agreement shall become operative on the Effective Date.

**EDRINGTON, SCHIRMER & MURPHY,
LLP**

RICHMOND HOUSING AUTHORITY

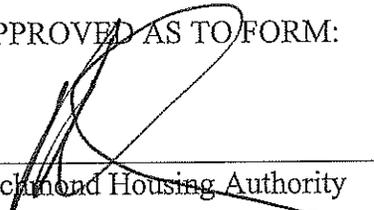
By: 


Executive Director

Title: Attorney/Partner

Name: Nannette J. Beachum

APPROVED AS TO FORM:


Richmond Housing Authority
Attorney

ATTEST:


City Clerk

Exhibit A

SCOPE OF WORK AND SCHEDULE OF FEES & CHARGES

Scope of work:

Special Counsel shall represent the Richmond Housing Authority in unlawful detainers.

Richmond Housing Authority Contact: Nannette Beacham, Executive Director

Schedule of Fees & Charges:

Hourly Rates

KEITH R. SCHIRMER	\$225/hour
TIMOTHY P. MURPHY	\$225/hour
JAMES M. MARZAN	\$225/hour
CODY L. SAAL	\$210/hour
JAMES H. LY	\$210/hour
MEGAN M. SYMONDS	\$210/hour
JORDAN C. MEYER	\$210/hour

COMPENSATION

Only those costs and expenses set forth in Section III of Exhibit "B", entitled "Reimbursements" shall be paid to Special Counsel.

Total compensation for legal services and reimbursements shall be charged in accordance with Exhibits "A" and "B" and shall not exceed the sum of SEVENTY-FIVE Thousand Dollars (\$75,000) for attorneys' fees per year over a three-year period with two optional one-year extensions for a total amount not to exceed \$375,000 per firm.

Exhibit B

BILLING PROTOCOLS/GUIDELINES

The Richmond Housing Authority ("RHA") has adopted the following protocols for billing, budgeting, and planning for projects involving outside counsel. Special Counsel will be required to comply with this protocol. If you have questions concerning it, please contact the City Attorney for clarification. In the event you wish to negotiate changes due to the internal operation of your firm, please raise them in writing as soon as possible. Any changes to this protocol will need prior, written approval from the City Attorney. In the interest of fairness, all Special Counsel is required to comply with this protocol. This protocol is also to be used in conjunction with any new proposal for services.

These protocols and guidelines are instituted to ensure that Special Counsel conveys the information necessary for the City Attorney to manage outside projects and litigation. Also, because these guidelines are set out in advance, they are designed to minimize any confusion or misunderstanding. Compliance with these guidelines should enhance the attorney-client relationship. If you have any comments or suggestions that could improve this system, please feel free to contact the City Attorney.

I. BILLING FORMAT

Unless otherwise agreed, the following information must be provided in monthly bills:

- a. A detailed description of work, in time increments of .1 hour (one tenth of an hour) for and by each and every individual billing services.
- b. Identification of the lawyer who is in charge of the matter.
- c. Reasonably detailed disbursement breakdowns with backup documentation of any individual charge exceeding \$100.00.
- d. Each billing item must be separately stated on a separate line identifying the attorney, the time spent and the exact nature of the service rendered.
- e. When charges are made for research time, the specific issue being researched and the need for the research should be identified.
- f. Each item billed should be coded to a specific litigation budget line item, if applicable.
- g. The City Attorney reserves the right to request various levels of detail and specific formats (such as columnar comparisons with established budgets).

Exhibit B

II. BILLING GUIDELINES

- a. All tasks set forth in Special Counsel's billing documentation shall be specific and detailed. Overly generalized listings of task descriptions such as "review contract" or "prepare for negotiations" are not acceptable.
- b. Billings under this Agreement shall not be provided in more than six (6) minute increments and shall represent the devotion of a full six minutes before an increment is billed. Under no circumstances shall Special Counsel use "block billing" procedures, wherein a list or series of activities is done each day with only an aggregate amount of time specified.
- c. Special Counsel shall keep the Richmond Housing Authority advised of the identity and billing rates of those people working on the project account.
- d. All time shall be billed within 30 days of performance of the service.
- e. Counsel shall advise the Richmond Housing Authority whenever it anticipates the amount of services necessary to properly execute the task will exceed the amount of the contract. When accrued billings are equal to eighty percent (80%) of the Payment Limit, written notice shall be given to the Richmond Housing Authority as soon as possible, via e-mail, to the City Attorney's Office, of this fact. In order to satisfy this notification requirement, Counsel shall monitor its accrued billings on a weekly basis and immediately notify the City Attorney if the eighty percent (80%) threshold is met. Special Counsel acknowledges the fiscal constraints on City funding and therefore Special Counsel assumes risk of non-payment for services rendered in the event the amount of services rendered exceeds the amount of the contract unless prior written authorization is received. Authorization to exceed the amount set forth in **Exhibit A** may be given only by City Attorney in writing.
- f. Only those attorneys approved by the City may bill on the case.
- g. The Richmond Housing Authority expects the attorney assigned to the case to handle all significant matters in the litigation. The City Attorney must approve in advance the assignment of other attorneys to the litigation or project. The Richmond Housing Authority may request that the assigned work be instead handled by the primary attorney.
- h. Special Counsel shall not charge for more than one attorney at any hearing, deposition, or meeting of any kind without advance approval of the City Attorney.
- i. No more than two paraprofessionals may bill on a particular case without the prior approval of the Richmond Housing Authority.

Exhibit B

- j. The Richmond Housing Authority has retained Special Counsel for its expertise, and therefore expects not to be billed for introductory or background research. The Richmond Housing Authority appreciates when Special Counsel has researched an issue previously and uses that research on present cases or projects. Do not charge the Richmond Housing Authority for work Special Counsel has done and billed another client for in the past.
- k. Within thirty (30) days of the Effective Date of this Agreement, Special Counsel shall provide any manuals or policies describing Special Counsel's billing practices.
- l. The Richmond Housing Authority does not allow "double billing" of any sort. If Special Counsel is working on another client's matter, do not bill the Richmond Housing Authority for that time. This applies to travel time or any other matter.
- m. Training time is not billable. Law clerks may be used only with prior approval.
- n. The Richmond Housing Authority will not pay for new attorneys to "get up to speed" on a file unless it has been preapproved.
- o. If a matter arises that requires Special Counsel to open a new file, the City Attorney should be informed immediately.
- p. The Richmond Housing Authority reserves the right to require additional substantiation of any item of claimed expense.

III. REIMBURSEMENTS

- a. The Richmond Housing Authority will reimburse Special Counsel for the following expenses, and for no other expenses:
 - Actual printing costs;
 - Copying costs at \$.12 / page (for legal documents and file materials, but not library materials);
 - Actual cost of postage (including express mail delivery charges);
 - Facsimile charges at the rate of \$0.25 per page;
 - Computer research support services (e.g., Westlaw, LEXIS or computer time or services) at actual cost, but not to exceed 15% of the total fees for all legal services;
 - Actual cost of long distance telephone calls;
 - Transcription and reporter's fees; and
 - Reasonable travel. The Richmond Housing Authority does not pay for meals unless Attorney is required to be away from office for one full day. All meals and/or travel reimbursements will be subject to approval by the City Attorney. Travel expenses are limited to the lesser of actual expenses

Exhibit B

or expenses that would be authorized for Richmond Housing Authority employee travel pursuant to Richmond Housing Authority policy.

- b. The City Attorney must approve in advance any single reimbursement item in excess of \$250.
- c. Any expense other than those listed in section "a." must be approved by the City Attorney in writing and in advance in an approved budget.
- d. No compensation shall be allowed for administrative overhead or premiums added to the direct cost of research support or other services.
- e. Court filings shall be prepared in a timely manner so that "rush" or "expedited" messenger fees are not incurred.
- f. Messenger and other charges in excess of actual costs are not permitted. The Richmond Housing Authority does not allow cost, plus a percentage, for actual outside costs
- g. The Richmond Housing Authority does not pay for secretarial time or secretarial overtime. The Richmond Housing Authority does not pay attorneys or paralegals for secretarial tasks or tasks that should not be included in Special Counsel's overhead. For example, faxing, mailing, arranging for messengers and calendaring are not acceptable charges.
- h. The Richmond Housing Authority does not pay for billing or discussions of bills, including discussions initiated by the Richmond Housing Authority or Richmond Housing Authority's requests for additional information about a bill.
- i. The practice of minimum billing charges is prohibited. Please charge for actual time spent. For example, a minimum of .2 for phone calls or .4 for letters is unreasonable unless it is an accurate measure of time spent.
- j. Do not charge for file opening or file closing. These are not true legal services, tasks or adequate descriptions of legal activities.

Exhibit C

PROJECT PLAN AND BUDGET

Project plans and budgets should conform to the following guidelines:

- a. The project plan shall include a projection of recommended strategies and actions to be taken in the project and a range of costs for each such strategy or action.
- b. If the scope of work includes representation of the Richmond Housing Authority in litigation, the project plan shall include the following elements, with explanations:
 - Anticipated total costs;
 - The primary issues;
 - The probability of success; and
 - A settlement/trial recommendation

The project plan will be modified during the litigation as the need arises.

- c. The project budget shall include an estimate of the attorneys' hours and fees and disbursements during each phase and/or activity. All anticipated expenses must be listed and costs estimated.
- d. In the event of litigation, the project budget shall include, but not be limited to, estimates for:
 - Pre-commencement (legal and factual research for the complaint or answer);
 - Pleadings;
 - Preliminary motions;
 - Initial discovery;
 - Factual investigation of merits (interviewing clients, employees and third parties);
 - Review and abstract the Richmond Housing Authority's documents;
 - Expert (non-medical) investigation and reports;
 - Medical experts and examinations;
 - Legal research on merits;
 - More thorough discovery (including the identity of deponents and expected costs of each deposition and preparation);
 - Settlement negotiations;
 - Trial preparation; and
 - Trial.
- e. The project budget should include the anticipated cost of each line item, the time allotted to complete it and the professional level of the person handling it.
- f. The project budget is not a fixed fee agreement and is subject to revision.
- g. Special Counsel shall provide revisions to the project plan or budget at the request of the City Attorney.

Exhibit C

- h. Special Counsel understands and agrees that major unjustified deviations from the project budget, or failure to timely submit a project budget or revisions, if requested, may constitute a breach and result in termination of this Agreement.

Exhibit D

California Joint Powers Risk Management Authority Mandatory Case Reporting Policy

Pursuant to Section VII (Conditions) of the Memorandum of Coverage, the following rule is applicable to all cases reported to CJPRMA.

The Authority shall be entitled to complete access to the covered party's claim file, the defense attorney's complete file, and all investigation material and reports, including all evaluations and information on negotiations. The covered party shall be responsible to report the progress of the litigation and any significant developments at least quarterly to the Authority, and to provide the Authority with simultaneous copies of all correspondence provided to the covered party by its defense attorneys and/or its agents.

In addition, the CJPRMA Board of Directors has adopted the following mandatory case reporting standards:

- 1) Defense counsel is expected to provide a written analysis of liability and exposure in any reported claim no later than ninety days following receipt of the file from the member agency. CJPRMA understands that the liability picture may develop as discovery is ongoing, but this does not excuse the responsibility of providing an early, objective analysis of the file, subject to later developments. An early analysis not only permits the JPA member to set an accurate reserve level, but also permits the member entity to decide whether to actively litigate the case, try to settle the case, or limit discovery based upon the exposure.
- 2) The initial status report should provide, at a minimum, a brief synopsis of the facts giving rise to the lawsuit; the status of the pleadings, including any discussions of demurrers or motions to dismiss, or cross-complaints; a summary and analysis of plaintiff's injuries, damages and exposures in the case; an initial impression of liability; any requests for additional investigation; a brief outline of the discovery planned; and an evaluation of anticipated litigation costs. The report need not be lengthy, and typically might not exceed three to five pages, but must address the issues directly and in a straightforward manner so that the member entity and CJPRMA can set cost and loss reserves as necessary.
- 3) Defense counsel is responsible to report, in writing, the setting of a trial date, settlement conference date, hearing date on motion for summary judgment or similar dispositive motion in any litigated case, within one week of the date on which a court establishes such date.
- 4) Defense counsel is responsible to report, in writing, all settlement demands or offers within one week of the time the offer is made or the demand is received.

Exhibit D

- 5) Defense counsel is responsible to report, in writing, on the substance of all depositions taken in the case. This need not be a multi-page deposition summary, but must, at a minimum, include a concise report of major events occurring at the deposition, and an evaluation of the effect of the deposition testimony on the case.
- 6) Finally, no later than sixty days before the date set for trial in any case, defense counsel is responsible to report, in writing, on (1) an assessment of liability in the case, (2) the adverse potential exposure if liability is found, (3) a concise summary of injuries sustained and/or claims, (4) an assessment of any other factors (such as local jury tendencies, appearance of important witnesses, etc.) that may affect the liability analysis or exposure assessment, and (5) an opinion on the settlement value of the case.
- 7) All status reports from defense counsel must be copied to the CJPRMA Board member whose entity is involved in the claim.

This policy is designed to protect the member entity and CJPRMA, so that they can make informed litigation decisions on reported cases. Past experience has shown that defense counsel retained by the member entities of CJPRMA are high-caliber, hard working attorneys who have done very well for their clients, and CJPRMA is grateful for their efforts. Defense counsel are cautioned, however, that case reporting is given a high priority by CJPRMA and its members, and is a major consideration in evaluating counsel's performance.

Exhibit E

LITIGATION GUIDELINES

The following guidelines should be followed when the scope of work includes representing the Richmond Housing Authority in litigation:

- a. The Special Counsel shall consult the City Attorney regarding the component parts of litigation handled so that the City Attorney, in consultation with the City Council, if necessary, can determine whether a particular activity is reasonable in light of its costs and benefits.
- b. The City Attorney must approve the identity and number of staff assigned to the litigation, and any changes.
- c. All pleadings shall be submitted to the City Attorney for review prior to filing.
- d. Copies of major work product, pleadings, motions, orders, decisions, research memoranda, reports on significant developments, and quarterly status reports shall be submitted to keep the City Attorney advised of any major developments in the lawsuit. Such copies shall be provided in electronic format compatible with software in the City Attorney's office.
- e. Generally, the City Attorney will rely upon Special Counsel for guidance on litigation strategy. Nonetheless, prior approval from the City Attorney is necessary for demurrers, motions for summary judgment and discovery motions.
- f. The Richmond Housing Authority expects that Special Counsel will resolve all discovery disputes without court intervention. If this is impossible due to the conduct of others, please inform the City Attorney immediately. The Richmond Housing Authority's intent is to have discovery be fair and open with the money spent on reviewing relevant items that are discovered, not on discovery battles.
- g. Provide full descriptions of legal tasks performed. This will help the City Attorney follow case development and understand Firm's strategy.
- h. Some types of litigation-related expenses require prior approval by the City Attorney, including, but not limited to, experts and investigators. Expenses over a certain dollar amount always require prior approval. See Section III (Reimbursements) of Exhibit B (Billing Protocols and Guidelines) of this Agreement for a list of those expenses that may be reimbursed.



Richmond Housing Authority (RHA)
& City of Richmond

JOINT MEETING AGENDA REPORT

Economic Development

DATE:	June 18, 2024
TO:	Housing Authority Board of Commissioners and Members of the City Council
FROM:	Shasa Curl, City Manager Nickie Mastay, Deputy City Manager Mubeen Qader, Deputy Director of Finance Nannette Beacham, Economic Development Director Gabino Arredondo, RHA, Interim Executive Director Rita Martinez, Senior Accountant
Subject:	Proposed Richmond Housing Authority Budget for Fiscal Year (FY) 2024-2025.
FINANCIAL IMPACT:	This action approves the Richmond Housing Authority (RHA) proposed FY 2024-2025 operating budget, with estimated revenues of \$4,319,879, and total proposed expenditures of \$4,671,805.57. If the proposed General Fund subsidy of \$351,926.57 is approved by the City of Richmond, it will balance the RHA FY 2024-2025 budget to \$4,671,805.57 in estimated revenues and \$4,671,805.57 in expenditures.
PREVIOUS COUNCIL ACTION:	N/A
STATEMENT OF THE ISSUE:	Staff is requesting that the RHA Board of Commissioners and members of the City Council review and approve the RHA FY 2024-2025 proposed operating budget.

RECOMMENDED ACTION:	ADOPT a joint resolution approving the proposed Fiscal Year (FY) 2024-2025 Richmond Housing Authority (RHA) budget, with total estimated revenues of \$4,319,879 and total estimated expenditures of \$4,671,805.57; and APPROVE an RHA subsidy from the City of Richmond General Fund in the amount of \$351,926.57, which will provide sufficient revenue to match anticipated expenditures and balance the RHA budget to \$4,671,805.57 in estimated revenues and \$4,671,805.57 in expenditures - Richmond Housing Authority/Finance (Gabino Arredondo/Rita Martinez 621-1300).
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DISCUSSION:

Background

The Richmond Housing Authority (RHA) provides affordable housing for low and very low-income Richmond residents through the U.S. Department of Housing and Urban Development (HUD) federally funded housing programs. RHA owns multiple public housing properties and manages one property occupied by residents (Nystrom Village) with approximately 100 units. There are an additional 393 units associated with RHA entities (Richmond Village, Triangle Court, Friendship Manor), 148 units recently rehabilitated and occupied at Hacienda Heights, and 142 units currently being renovated by EAH Housing (Nevin Plaza) for a total of 783 units. Funding for the RHA budget is largely dependent on funding from U.S. Department of Housing and Urban Development (HUD), and thus subject to congressional appropriations. HUD continues the trend of inadequate funding for public housing authorities nationwide, and therefore, it is increasingly difficult for RHA to operate without a General Fund subsidy.

RHA is proposing \$4,671,805.57 in expenditures during FY 2024-2025 to manage the public housing program. These expenditures include personnel costs (currently at 5.0 Full Time Equivalents (FTE)), funds to cover utilities, contracts for property maintenance and unit turn over activities at Nystrom Village, professional services for asset repositioning, and addressing outstanding financial liabilities such as completing financial audits, and an operating subsidy pass through for Richmond Village. Estimated revenue of \$4,319,879 is comprised of operating subsidies from HUD, capital funds, and tenant rents. FY 2024-2025 Budget Staff recommends that the RHA Board of Commissioners and City Council adopt a resolution approving RHA's FY 2024-2025 operating budget in the amount of \$4,319,879 in revenues and \$4,671,805.57 in expenditures, with a proposed City of Richmond subsidy amount of \$351,926.57. The most significant revenue and expenditure changes are listed below:

Revenue - \$4,319,879

- HUD Operating Subsidy - \$1,473,586: The HUD operating subsidy includes \$1,083,925 for Nevin and Nystrom, and \$389,661 for the Richmond Village I, II, III pass through.
- Capital Fund Subsidy - \$1,463,024: The Capital Fund provided by HUD funds, annually, Public Housing Agencies (PHAs) for the development, financing, and improvements of public housing developments and for management improvements.
- Tenant Rental Income - \$277,868: Tenant rent compliance has increased from the previous years. There are units at Nystrom Village that have been repaired and units that are currently being rehabilitated with the goal of increasing tenancy and improving conditions. RHA will continue to focus on evaluating the units that can be brought back online and implementing improvements.
- Operating Transfer In - \$1,005,547: A percentage from the Capital Fund is allowed to be transferred for operations (25 percent) to the Asset Management Projects (AMPs) Nystrom and Central Office Cost Center (COCC) \$512,058. Operating Subsidy for Nevin Plaza will continue to be available and will reduce over the years due to the repositioning of the Nevin Plaza AMP \$493,489. Any remaining funds from the Nevin operating subsidy may be transferred to other RHA AMPs in need.
- Hacienda Asset Repositioning - \$83,804: RHA is now responsible for the maintenance of the split parcel at the Hacienda site. Funds for maintenance and upkeep are available from Hacienda asset repositioning funds.
- Repayment Agreements and Other Revenue - \$16,050: Repayment agreements are between residents and RHA to pay owed rent.

Expenditures: \$4,671,805.57

- Personnel - \$911,514.57 (Salaries & Wages - \$557,028.40 and Fringe Benefits \$354,486.17): The current budget includes 5.0 FTEs.
- Operating Expenses - \$416,550: Capital Fund - \$30,000 Tenant Relocation, \$150,000 Building Supplies; Hacienda - \$5,000 Fencing; Nevin Plaza - \$1,500 Mailing, Copying, Housing Commission; Nystrom Village - \$2,000 Postage, \$1,000 Printing and Copying, \$10,800 Rent Program Fees, \$23,000 Truck Rental, Copy Machine Rental, \$3,500 Miscellaneous, \$3,500 Housing Commission, \$20,000 Tenant Relocation, \$2,000 Tenant Recreation, \$8,000 Office Supplies, \$1,250 Cloths, \$85,000 Small Tools, \$70,000 Building Maintenance Supplies.
- Professional & Administrative Services - \$697,076: Capital Fund - \$155,216 Unit Turnover, \$10,000 Appraisals \$69,750 Building Needs Assessment \$54,000 Asset

Repositioning Financial Consulting; Nevin - \$35,000 Legal Services Lease Enforcement, \$12,000 Financial Audits; \$50 Bank Fees; Nystrom - \$45,000 Mold Testing and Remediation, Credit Reporting, Document Services, \$100,000 Legal Services Lease Enforcement, \$16,000 Computer Hardware and Software, \$160,000 Temporary Staffing Unit Turnover and Work Orders, \$12,000 Financial Audits, \$10,000 Training, \$1,800 Memberships, \$60 Bank Fees, \$15,000 Storage, \$1,200 Fees and Permits.

- Equipment & Contractual Services - \$712,600: Capital Fund - \$345,000 Unit Turn Over Supplies, Appliances, Equipment, Temporary Staffing; Nystrom - \$1,500 Equipment Services, \$1,000 Vehicle Maintenance, \$9,600 HVAC, \$134,000 Grounds, \$112,500 Vacant Property Solutions, \$4,000 Electrical, \$10,000 Pet Control, \$50,000 Plumbing; Hacienda Lot –\$45,000 Landscaping, Tree Maintenance, Lighting Repair.
- Grant Expenditures - \$436,661: Expenditures for Administrative and Auditing Services from the Capital Fund \$47,000 and the Richmond Village Passthrough Payments for \$389,661.
- Property Insurance - \$52,160.
- Utilities - \$226,500: Utilities costs include expenditures for telephone, electricity, water, sewer, gas, and refuse services.
- Cost Pool - \$123,197: per the HUD approved Title 2 Code of Federal Regulations 200 (2 CFR Part 200) compliant Cost Allocation Plan (CAP).
- Capital Outlay - \$90,000: The main expenditure proposed includes unit turnover and rehab activities.
- Operating Transfer Out - \$1,005,547: A percentage from the Capital Fund is allowed to be transferred for operations (up to 25 percent) to AMP Nystrom and for administrative services (up to 10%) to the COCC \$512,058. The Operating Subsidy for Nevin Plaza will continue to be available and will be reduced over the years due to the repositioning of the Nevin Plaza AMP \$493,489. Any remaining funds from the Nevin operating subsidy may be transferred to other RHA AMPs in need.

FY 2023-2024 RHA and COR Accomplishments

RHA's main goals and objectives for FY 2023-2024, in addition to the management of the public housing program, includes moving forward on asset repositioning activities outlined in the 2019 Public Housing Authority Recovery and Sustainability (PHARS) agreement between the HUD, City of Richmond, and RHA. RHA, in collaboration with City of Richmond staff, continues to make progress in improving its operations and

addressing outstanding tasks outlined in the PHARS.

RHA's accomplishments at Nevin Plaza include the start of the rehabilitation construction. Nevin Plaza rehabilitation kickoff celebration and construction commenced (138 affordable housing units for seniors). Construction of Phase 1 commenced March 2023 and was completed November 2023 (27 units). Construction of Phase 2 commenced November 2023 (54 units). The Nevin Plaza development team applied for additional Community Development Block Grant funds for Nevin Plaza and \$700,000 was awarded. Community meetings and activities reconvened at the end of March 2024.

The Nystrom Village Exclusive Rights to Negotiate Agreement (ERNA) expired with the preferred developer at the end of November 2023. Additional discussions occurred with the preferred developer in December 2023; however, a mutually agreed upon development agreement was not agreed upon and negotiations ceased. A new Request for Proposals (RFP) for the Nystrom Village redevelopment was released May 16, 2024. RHA staff continues to inform the local neighborhood council and NURVE project regarding redevelopment updates. In addition, RHA has begun the historical and environmental review for the redevelopment project. There are still many challenges at Nystrom Village. There is still a high vacancy rate due to units being in disrepair. RHA and City staff have worked collaboratively to conduct multiple cleanup activities at the site. Fortunately, illegal dumping has decreased. RHA staff have entered occupied units which have generated work orders to make additional improvements.

The Hacienda Heights affordable housing site (150 units) that was renovated continues to be fully occupied. In January 2024, a financial accomplishment occurred when the permanent financing for the project closed. The construction loan was converted to a permanent financing loan at that time.

The Richmond Village affordable housing project commenced in March 2024 with community engagement activities to begin the process of submitting a Section 18 disposition application to HUD. Two community meetings were held with residents to explain the change in subsidy for tenants (April 26, 2024, and May 8, 2024). Once the application is approved, there will be a conversion of public housing units to the Section 8 platform which will make the project more financially stable.

The Finance Department has made progress regarding RHA financial matters. RHA and City Finance staff continue to work with the auditors, Maze & Associates, to complete audits. Staff has begun to work with the City's current auditors, Badawi & Associates, to carry on completing audits. In addition, the staff is working with NBS Consultants to complete a Cost Allocation plan in accordance with HUD requirements set forth in the Title 2 CFR, Part 200 Compliant Version. The Cost Allocation Plan for FY 2024-2025 is currently in progress with NBS reviewing the data requested to provide a draft report.

Financial Updates:

- 2017 Audit - Financial Reports are completed and issued.
- 2018 Audit - Financial Reports are completed and issued.
- 2019 Audit - Final drafts of the Financial Reports have been provided and are being reviewed by RHA and City staff.
 - 2019 Basic Financial Statements – Completed and issued. Audited data has been entered into HUD system awaiting auditor’s review.
 - 2019 MOIC Report and Required Communications Report – Draft has been reviewed and staff will respond with Management responses.
 - 2019 Richmond Housing Corporation – Final Draft approved by City staff.
 - 2019 RHA RAD LLC – Final Draft approved by City staff.
- 2020 Audit - Data has been requested by Badawi & Associates. City staff is working on providing all data requests.
- 2022 Capital Fund Grant - Award has been approved and authorized by HUD, RHA has obligated 92% of grant.
- 2023 Capital Fund Grant - 5 Year Activity Plan (YAP) for 2023 – 2027 needs to be updated and submitted for HUD review, in progress.
- RHA and City Staff began initial procurement training with HUD provided technical assistance.

DOCUMENTS ATTACHED:

Attachment 1 - Resolution

RESOLUTION NO. _____

A JOINT RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND AND BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RICHMOND (RHA) ADOPTING THE HOUSING AUTHORITY FISCAL YEAR 2024-2025 OPERATING BUDGET WITH PROPOSED REVENUES IN THE AMOUNT OF \$4,319,879, TOTAL PROPOSED EXPENDITURES OF \$4,671,805.57, AND APPROVE AN RHA SUBSIDY FROM THE CITY OF RICHMOND GENERAL FUND IN THE AMOUNT OF \$351,926.57, WHICH WILL BALANCE THE RHA BUDGET TO \$4,671,805.57 IN ESTIMATED REVENUES AND \$4,671,805.57 IN EXPENDITURES

WHEREAS, the Richmond Housing Authority (RHA) is a public entity chartered by the City of Richmond, California, as a separate legal entity under the provisions of the U.S. Housing Act of 1937; and

WHEREAS, RHA’s programs are funded by the federal government, subject to the rules and guidelines of the United States Department of Housing and Urban Development (HUD); and

WHEREAS, RHA’s mission is to provide decent, safe and sanitary affordable housing and coordinate supportive services for low-income residents and program participants of the City of Richmond; and

WHEREAS, RHA administers the Low Rent Public Housing Program, and administers the Capital Fund Grant Program to fund rehabilitation activity on its existing public housing stock; and

WHEREAS, the RHA’s main goals and objectives for FY 2024-2025, in addition to the administration of its core public housing programs, will be to continue the repositioning of RHA assets.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RICHMOND AND THE MEMBERS OF THE RICHMOND CITY COUNCIL, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, THAT: the FY 2024-2025 operating budget for the Richmond Housing Authority in the amount of \$4,319,879, in estimated revenues, and with total proposed expenditures of \$4,671,805.57 and an RHA subsidy from the City of Richmond General Fund in the amount of \$351,926.57, which will provide sufficient revenue to match anticipated expenditures and balance the RHA budget to \$4,671,805.57 in estimated revenues and \$4,671,805.57 in expenditures is hereby adopted.

BE IT FURTHER RESOLVED THAT the Executive Director and City Manager is authorized to take all actions necessary to implement the foregoing resolution.

I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond and the Richmond Housing Board of Commissioners at a joint meeting thereof held on June 18, 2024, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Chairperson

[SEAL]

ATTEST:

Secretary

Approved as to form:

Attorney

State of California }

County of Contra Costa : ss.

City of Richmond }

I certify that the foregoing is a true copy of **Resolution No.** , finally passed and adopted at a joint City Council and Housing Authority Meeting held on June 18, 2024.

CLERK OF THE HOUSING AUTHORITY