

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS
 DATE: 8/19/14
 Departmental Concurrence

**SUBMITTAL TO THE BOARD OF COMMISSIONERS
 HOUSING AUTHORITY
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

349
A



FROM: Housing Authority

SUBMITTAL DATE:
August 27, 2014

SUBJECT: Approval of the Agreement Between Riverside Community Housing Corp. and the Housing Authority of the County of Riverside for Use of Staff and Resources, All Districts, [\$0]

RECOMMENDED MOTION: That the Board of Commissioners:

1. Approve the attached Agreement between the Riverside Community Housing Corp. (RCHC) and the Housing Authority of the County of Riverside (Authority) for Use of Staff and Resources (Agreement) and authorize the Chairman to sign such Agreement; and
2. Authorize the Authority Executive Director, or designee, to take all actions necessary or required to implement the Agreement including, but not limited to, signing subsequent and necessary documents, subject to approval by County Counsel.

BACKGROUND:

Summary

(Commences on Page 2)

Robert Field
Executive Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: N/A				Budget Adjustment: No	
				For Fiscal Year: 2014/15	

C.E.O. RECOMMENDATION:

APPROVE

BY:
Rohini Dasika

County Executive Office Signature

MINUTES OF THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.:

District: ALL

Agenda Number:

10-1

SUBMITTAL TO THE BOARD OF COMMISSIONERS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Housing Authority

FORM 11: Approval of the Agreement Between Riverside Community Housing Corp. and the Housing Authority of the County of Riverside for Use of Staff and Resources, All Districts, [\$0]

DATE: August 27, 2014

Page 2 of 2

BACKGROUND:

Summary

RCHC is a non-profit public benefit corporation, the creation of which was authorized by Resolution Number 92-002, attached hereto, adopted by the Authority Board of Commissioners on January 7, 1992. RCHC was created as an affiliate of the Authority for the purpose of financing, acquiring, developing, rehabilitating, owning, managing and selling affordable housing in Riverside County for persons of low and moderate income, and to access certain state and federal programs available to non-profit corporations. RCHC was inactive subsequent to its incorporation in 1992. On July 1, 2014 the Authority Board of Commissioners adopted Resolution Number 2014-007, attached hereto, authorizing activation of RCHC and commencement of its corporate operations.

Staff and other resources, such as office space, equipment, supplies and other related resources, are necessary for RCHC to commence with corporate operations. The Authority has staff and resources available to be utilized for such purposes. An agreement between RCHC and the Authority would allow RCHC access to personnel to run the day to day operations of the corporation along with a business location and resources to support such efforts.

Staff recommends that the Board of Directors (1) approve the attached Agreement and authorize the Chairman to sign such Agreement; and (2) authorize the Authority Executive Director, or designee, to take all actions necessary or required to implement the Agreement including, but not limited to, signing subsequent and necessary documents, subject to approval by County Counsel.

Impact on Residents and Businesses

Approving this item will have a positive impact on residents of Riverside County by supporting the activation of a non-profit public benefit corporation designed to create and preserve affordable housing opportunities within Riverside County.

Attachments:

Agreement between Riverside Community Housing Corp. and the Housing Authority of the County of Riverside for Use of Staff and Resources

Resolution Number 92-002

Resolution Number 2014-007

1 **AGREEMENT BETWEEN RIVERSIDE COMMUNITY HOUSING CORP. AND THE**
2 **HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE**
3 **FOR USE OF STAFF AND RESOURCES**

4 This Agreement for Use of Staff and Resources ("AGREEMENT") is made and entered
5 into this ____ day of _____, 2014 by and between the RIVERSIDE COMMUNITY
6 HOUSING CORP., a California non-profit public benefit corporation
7 ("CORPORATION"), and the HOUSING AUTHORITY OF THE COUNTY OF
8 RIVERSIDE, a public entity, corporate and politic in the State of California
9 ("AUTHORITY").

10 RECITALS

11
12 **WHEREAS**, CORPORATION was created for the purpose of financing,
13 acquiring, developing, rehabilitating, owning, managing and selling affordable housing in
14 Riverside County for persons of low and moderate income, and to access certain state
15 and federal programs in order to augment programs and services sponsored by
16 AUTHORITY;

17 **WHEREAS**, the CORPORATION requires, staff, a principal office
18 location and the use of other administrative and operational resources (collectively
19 hereinafter "Resources") in order to conduct its corporate business;

20 **WHEREAS**, AUTHORITY can provide such staff and Resources as
21 required by the CORPORATION; and

22 **WHEREAS**, the CORPORATION and the AUTHORITY wish to enter into
23 this AGREEMENT to specify the terms and conditions under which AUTHORITY will
24 provide staff and Resources to the CORPORATION.

25 **NOW, THEREFORE**, based on the mutual promises contained herein,
26 CORPORATION and AUTHORITY mutually agree as follows:

1 1. Term of AGREEMENT. This AGREEMENT shall become effective upon the
2 Effective Date, as defined in **Section 18**, and shall continue until terminated by
3 either party upon 30 days written notice to the other party.

4 2. AUTHORITY Staff and Resources. AUTHORITY hereby agrees to provide the
5 CORPORATION staff and Resources according to the Policies and Procedures
6 of the AUTHORITY and under the direction of CORPORATION's Chief Executive
7 Officer.

8 a. AUTHORITY staff shall provide services necessary for
9 CORPORATION to conduct its day to day activities, subject to the
10 availability of AUTHORITY staff.

11 b. AUTHORITY Resources shall include, but not be limited to, the
12 following:

13 (i) Office space in the building located at 5555 Arlington
14 Avenue, Riverside, CA ("Administrative Building");

15 (ii) Other resources related to the Administrative Building
16 including, but not limited to: utilities, custodial services,
17 parking lot, elevator, office supplies, maintenance and repair
18 services, recycling bins, trash service and office equipment
19 such as photo copiers, scanners, phones, faxes and
20 computers.

21 3. Exclusions. Excluded from the use of AUTHORITY staff and Resources are:

22 a. Use of AUTHORITY-owned automobiles; and

23 b. Use of AUTHORITY staff and/or Resources that is in violation of (1)
24 state, federal or local law, (2) AUTHORITY's Annual Contributions
25 Contract ("ACC"), (3) Provisions set forth in AUTHORITY's Conflict
26 of Interest Code, and (4) Provisions set forth in CORPORATION's
27 Conflict of Interest Code.

28

- 1 4. Personnel Status. The personnel assigned by the AUTHORITY to provide
2 services to the CORPORATION shall remain employees of the County of
3 Riverside, acting through the AUTHORITY, on AUTHORITY payroll, and shall be
4 entitled to all benefits set forth in their individual employee agreements with the
5 County of Riverside. At all times during the term of this AGREEMENT,
6 AUTHORITY staff providing services to the CORPORATION will receive their
7 assignments from the CORPORATION's Chief Executive Officer.
- 8 5. Performance. The Executive Director of the AUTHORITY, or designee, shall, as
9 deemed necessary, conduct any performance evaluations, pursuant to Riverside
10 County Ordinance 440, of the AUTHORITY personnel who may be designated to
11 provide services to the CORPORATION.
- 12 6. Allocation of Costs. Costs for the use of AUTHORITY staff and Resources by
13 CORPORATION shall be allocated pursuant to the Office of Management and
14 Budget (OMB) Circular A-87 and AUTHORITY's Annual Contributions Contract
15 (ACC), and as described in **Exhibit A** attached hereto and incorporated herein
16 by this reference. The CORPORATION understands that such costs shall
17 include, but not be limited to, the salary and benefits, services, supplies, facility
18 changes and any other costs associated with the AUTHORITY providing the staff
19 and Resources herein. The CORPORATION also understands that it will be
20 responsible for payment to AUTHORITY for any increases in salary and benefits
21 that may occur during the term of this AGREEMENT.
- 22 7. Payment. On a monthly basis, AUTHORITY shall provide an invoice to
23 CORPORATION for the costs to use AUTHORITY staff and Resources which
24 were incurred during the previous period. CORPORATION shall remit payment to
25 AUTHORITY for the cost of providing the staff and Resources specified herein.
- 26 8. Documentation of Costs. Costs incurred by CORPORATION for use of
27 AUTHORITY staff and Resources shall be documented as described in **Exhibit**
28

1 **B** attached hereto and incorporated herein by this reference and attached to the
2 invoice submitted by AUTHORITY to CORPORATION for payment each period.

3 9. Suspension of Payments. CORPORATION shall have the option, at its
4 discretion, to request a suspension for payment for use of AUTHORITY
5 Resources during periods of non-use, as described in **Exhibit A**.

6 10. Financial Records. AUTHORITY and CORPORATION shall both maintain
7 financial and other supporting records of operational and financial activities which
8 are related to or involve the AUTHORITY staff and/or Resources herein. Such
9 records shall be open to inspection and audit by authorized representatives of
10 the other respective party during regular working hours and shall be retained by
11 AUTHORITY and CORPORATION for a period of not less than ten (10) years
12 after termination of this AGREEMENT.

13 11. Compliance with Laws and Regulations. By executing this AGREEMENT,
14 CORPORATION hereby certifies that it will adhere to and comply with all federal,
15 state and local laws and regulations.

16 12. Prohibition against Conflicts of Interest.

17 a. CORPORATION shall promptly disclose to AUTHORITY any potential
18 conflict of interest, including even the appearance of conflict that may
19 arise with respect to the activities under this AGREEMENT.

20 b. AUTHORITY shall promptly disclose to CORPORATION any potential
21 conflict of interest, including even the appearance of conflict that may
22 arise with respect to the activities under this AGREEMENT.

23 13. Entire Agreement. It is expressly agreed that this AGREEMENT embodies the
24 entire agreement of the parties in relation to the subject matter hereof, and that
25 no other agreement or understanding, verbal or otherwise, relative to this subject
26 matter, exists between the parties at the time of execution.

27 14. Severability. Each paragraph and provision of this AGREEMENT is severable
28 from each other provision, and if any provision or part thereof is declared invalid,

1 the remaining provisions shall nevertheless remain in full force and effect.

2 15. Amendments. AUTHORITY or CORPORATION may consider it in its best
3 interest to amend, change, modify or extend a term or condition of this
4 AGREEMENT. Any such amendment, change, extension or modification, which
5 is mutually agreed upon by AUTHORITY and CORPORATION, shall be
6 incorporated in written amendments to this AGREEMENT. No amendment to this
7 AGREEMENT shall be effective and binding upon the parties, unless it expressly
8 makes reference to this AGREEMENT, is in writing and is signed and
9 acknowledged by duly authorized representatives of both parties.

10 16. Ministerial Acts. The AUTHORITY Executive Director, or designee, is
11 authorized to take such ministerial actions as may be necessary or appropriate to
12 implement the terms, provisions, and conditions of this Agreement as it may be
13 amended from time to time by AUTHORITY.

14 17. Notices. All notices, requests, demands and other communication required or
15 desired to be served by either party upon the other must be in writing and shall
16 be properly given and effective when personally served or sent by United States
17 Postal Service first class, certified mail, or express delivery service, with postage
18 affixed. The effective date of any such mailed notice shall commence to run from
19 the day after its deposit in the mail. Such notices shall be addressed to the
20 respective parties as follows:

21 CORPORATION

22 Chief Executive Officer
23 Riverside Community
24 Housing Corp.
25 5555 Arlington Avenue
26 Riverside, CA 92504

AUTHORITY

Executive Director of the
Housing Authority of the
County of Riverside
3403 10th Street, Suite 300
Riverside, CA 92501

27 18. Counterparts. This AGREEMENT may be signed by the different parties hereto
28 in counterparts, each of which shall be an original but all of which together shall

1 constitute one and the same agreement.

2 19. Effective Date. The effective date of this AGREEMENT is the date the parties
3 execute the AGREEMENT. If the parties execute the AGREEMENT on more
4 than one date, then the date first above written shall be the effective date.

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12 [Signatures on Following Page]

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1 **IN WITNESS WHEREOF**, CORPORATION and AUTHORITY have executed this
2 **AGREEMENT** as of the date first above written.


3
4 **“CORPORATION”**
5 RIVERSIDE COMMUNITY HOUSING
6 CORP., a California non-profit public
7 benefit corporation

8 By: _____
9 Jeff Stone, Chairman
10 Board of Directors

11 Date: _____

12 APPROVED AS TO FORM:

13 GREG PRIAMOS
14 County Counsel

15 By:  _____
16 Jhaila R. Brown,
17 Deputy County Counsel

18 ATTEST:

19
20 KECIA HARPER-IHEM
21 Clerk of the Board

22 By _____
23 Deputy


4 **“AUTHORITY”**
5 HOUSING AUTHORITY OF THE
6 COUNTY OF RIVERSIDE, a public
7 entity, corporate and politic

8 By: _____
9 Jeff Stone, Chairman
10 Board of Commissioners

11 Date: _____

12 APPROVED AS TO FORM:

13 GREG PRIAMOS
14 County Counsel

15 By:  _____
16 Jhaila R. Brown,
17 Deputy County Counsel

18 ATTEST:

19
20 KECIA HARPER-IHEM
21 Clerk of the Board

22 By _____
23 Deputy

EXHIBIT A

ALLOCATION OF COSTS FOR USE OF STAFF AND RESOURCES

Costs for CORPORATION'S use of AUTHORITY staff and Resources shall be allocated using a basic cost allocation method. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received. The total cost of shared AUTHORITY staff and Resources is comprised of the direct costs plus indirect costs.

The formulas and methodology used to allocate direct and indirect costs are formed under the following conditions:

1. Costs that are identified as benefitting CORPORATION are prorated based on the benefits derived from the activities the costs are attributed to.
2. Costs are allocated using a base, or cost driver, that results in the most reasonable and equitable distribution.

Allocation of Costs for Use of AUTHORITY Staff

The base, or cost driver, for allocation of AUTHORITY staff costs shall be number of hours worked.

Charges to CORPORATION for use of AUTHORITY staff shall be calculated as a percentage of the staff member's salary plus benefits for the period of use, based on the ratio of the number of hours of work per period on CORPORATION-related activities to the total number of hours per period.

For example: if an AUTHORITY staff member works 20 hours of an 80 hour pay period on CORPORATION- related activities and the staff member's salary plus benefits for the period is \$3,000, then the cost allocable to that staff member's time during that period would be calculated as follows:*

$$(\frac{20}{80}) \times \$3,000 = 25\% \times \$3,000 = \$750$$

**Example is hypothetical and provided only for illustrative purposes.*

Allocation of Costs for Use of AUTHORITY Resources

The base, or cost driver, for use of AUTHORITY Resources shall be square footage.

Charges to CORPORATION for use of AUTHORITY Resources shall be calculated as a percentage of the total cost of Resources for the period of use based on the ratio of square footage used for CORPORATION-related business space (including a pro-rata portion of common and shared areas) to total building square footage.

For example: if AUTHORITY's total cost of Resources for the period is \$25,000 and CORPORATION-related business is conducted utilizing 1,000 square feet (including a pro-rata portion of common and shared areas) of a 24,000 total square foot building, then the cost allocable to CORPORATION's use of AUTHORITY Resources for that period would be calculated as follows:*

$$(\frac{1,000}{24,000}) \times \$25,000 = 4.17\% \times \$25,000 = \$1042.50$$

**Example is hypothetical and provided only for illustrative purposes.*

Suspension of Payments for Periods of Non-Use

Periods during which there are zero AUTHORITY staff hours allocable to CORPORATION are considered to be periods of non-use in which no square footage is actually used for CORPORATION-related business. During such periods, CORPORATION will continue to remit payment to AUTHORITY for Resources as described above. However, after four (4) contiguous weeks of non-use of AUTHORITY Resources, CORPORATION may submit to AUTHORITY, in writing, a request for a suspension of payment for AUTHORITY Resources and shall include an explanation for the cause of such request and an estimate for the period of the suspension. All requests for suspension shall be approved in writing by the AUTHORITY Executive Director, or designee, in its reasonable discretion.

EXHIBIT B
DOCUMENTATION OF ALLOCABLE COSTS

Where AUTHORITY staff provides services to CORPORATION, a distribution of their hours worked will be evidenced by timesheets or equivalent documentation. The dollar amount of their salary plus benefits will be evidenced by written salary and benefit documentation.

Where AUTHORITY Resources are used by CORPORATION, a distribution of the Administrative Building's square footage allocated to CORPORATION shall be evidenced by AUTHORITY's Administrative Building Cost Allocation document accompanied by an AUTHORITY Income Statement with an itemization of the individual components comprising the Resources.

The documentation referenced herein shall be attached to the invoice submitted by AUTHORITY to CORPORATION for payment each period.

2
3 **RESOLUTION NUMBER 2014-007**

4 **AUTHORIZING ACTIVATION OF RIVERSIDE COMMUNITY HOUSING CORP. AND**
5 **COMMENCEMENT OF CORPORATE OPERATIONS**

6
7 **WHEREAS**, the Housing Authority of the County of Riverside ("AUTHORITY")
8 Board of Commissioners adopted Resolution Number 92-002 ("Resolution 92-002")
9 on January 7, 1992 for the purpose of authorizing the creation of the Riverside
10 Community Housing Corp. ("CORPORATION");

11 **WHEREAS**, CORPORATION is a California non-profit public benefit
12 corporation created as an affiliate of the AUTHORITY for the purpose of financing,
13 acquiring, developing, rehabilitating, owning, managing and selling affordable housing
14 in Riverside County for persons of low and moderate income, and to access certain
15 state and federal programs available to non-profit corporations;

16 **WHEREAS**, Resolution 92-002 promulgates that the CORPORATION's Board
17 of Directors be comprised of eight (8) persons. Resolution 92-002 further promulgates
18 that the AUTHORITY Executive Director is named as Chairman of the
19 CORPORATION's Board of Directors and the balance of the CORPORATION's
20 Board of Directors is to be appointed by the AUTHORITY's Board of Commissioners;

21 **WHEREAS**, the balance of the CORPORATION's Board of Directors has not
22 yet been appointed;

23 **WHEREAS**, activating the CORPORATION and commencing with corporate
24 operations will allow access to additional sources of funding for the creation and
25 preservation of affordable housing opportunities throughout Riverside County;

26 **WHEREAS**, activation of the CORPORATION requires appointment of the
27 Board of Director positions which have not yet been filled;

28 **WHEREAS**, an initial meeting of the CORPORATION's Board of Directors is

1 necessary in order for the CORPORATION to become operational;

2 **WHEREAS**, the CORPORATION meets the definition of "legislative body"
3 pursuant to California Government Code §54952 and is therefore subject to the
4 provisions of the Brown Act (California Government Code §§ 54950 et seq.);

5 **WHEREAS**, the Brown Act requires that any meeting (as defined therein) of
6 the CORPORATION be open and public, with meeting notice, agenda and
7 accessibility subject to all Brown Act provisions;

8 **WHEREAS**, the Board of Commissioners desires to have the Riverside County
9 Clerk of the Board also serve as the CORPORATION's clerk; and

10 **WHEREAS**, the Board of Commissioners desires to activate the
11 CORPORATION and commence corporate operations.

12 **NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND**
13 **ORDERED** by the Board of Commissioners in regular session assembled on July 1,
14 2014, as follows:

15 1. That the Board of Commissioners hereby finds and declares that the
16 above recitals are true and correct.

17 2. That the Board of Commissioners authorizes activation of the
18 CORPORATION and commencement of corporate operations.

19 3. That the Board of Commissioners appoints the members of the Board of
20 Commissioners to serve as the Board of Directors for the CORPORATION.

21 4. That the Board of Commissioners approves the date and venue of the
22 CORPORATION's initial Board of Directors meeting to be August 5, 2014 at the
23 Board Chambers, subject to the provisions of the Brown Act.

24 5. That the Board of Commissioners authorizes the Riverside County Clerk
25 of the Board to act as the CORPORATION's clerk.

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3388

SUBMITTAL TO THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

FROM: EXECUTIVE DIRECTOR SUBMITTAL DATE: December 20, 1991

SUBJECT: **Approval of Resolution No. 92-002 authorizing the creation of a
Nonprofit Public Benefit Corporation**

RECOMMENDED MOTION:

That the Board adopt Resolution No. 92-002, a resolution of the Housing Authority of the County of Riverside authorizing the creation of a Nonprofit Public Benefit Corporation for the purpose of increasing the supply of affordable housing for persons of low and moderate income in Riverside County.

JUSTIFICATION:

The creation of a Nonprofit Public Benefit Corporation will assist the Housing Authority in providing housing assistance to low and moderate income persons by providing funding opportunities which currently do not exist for the Housing Authority.

The Nonprofit can take advantage of programs that the State and Federal governments have provided specifically for nonprofit community based organizations as well as tax benefits such as the low income housing tax credit.

Attached are the proposed Articles of Incorporation and Bylaws.

APPROVED AS FORM
CAMFIELD & CHRISTOPHER

By *[Signature]* Date 12/20/91

[Signature]
William A. Rosenberger
Executive Director

REVIEWED BY ADMINISTRATIVE OFFICE

DATE: 12/20/91 *[Signature]*

MINUTES OF THE BOARD OF COMMISSIONERS

On motion of Commissioner Larson, seconded by Commissioner Dunlap and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes:	Ceniceros, Dunlap, Larson and Abraham		
Noes:	None	Gerald A. Maloney	
Absent:	Younglove	Clerk of the Board	
Date:	January 7, 1992	By <i>[Signature]</i>	
to:	Prev. Agn. ref. Housing Authority	Depts. Comments	Dist. Deputy AGENDA NC

RESOLUTION NUMBER 92-002

WHEREAS, the Housing Authority of the County of Riverside, pursuant to Chapter 1, commencing with Section 34200, Part 2 of Division 24 of the California Health and Safety Code, as amended (the "Housing Authority Law"), is authorized to provide housing assistance to persons of low and moderate income; and

WHEREAS, the creation of a Nonprofit Public Benefit Corporation for the purpose of developing and managing affordable housing for persons of low and moderate income will allow access to certain State and Federal affordable housing programs; and

WHEREAS, such programs will provide housing assistance to persons of low and moderate income;

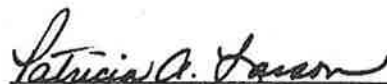
NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Housing Authority of the County of Riverside authorize the creation of a Nonprofit Public Benefit Corporation for the purpose of financing, acquiring, developing, rehabilitating, owning, managing and selling affordable housing for low and moderate income persons; and

BE IT FURTHER RESOLVED that the Board of Directors of the Corporation shall consist of eight (8) persons. The Executive Director of the Housing Authority of the County of Riverside shall be the Chairman of the Board of Directors and the balance of the Directors shall be appointed by the Board of Commissioners of the Housing Authority.

BE IT FURTHER RESOLVED that this Resolution take effect immediately.

SEAL

ATTEST


Patricia A. Larson - Chairperson


William A. Rosenberger - Secretary

Approved January 7, 1992.