

SECOND REVISED

ATTACHMENT A

CALCULATION OF SUBSIDIES

**TO
MOVING TO WORK AGREEMENT
BETWEEN
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AND
HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO**

Upon execution of this revised Attachment A, the U.S. Department of Housing and Urban Development (HUD) and the Housing Authority of the County of San Bernardino (Agency), HUD will provide the Agency with operating subsidy, capital funds and Housing Choice Voucher Program assistance as described below. This revised Attachment A supersedes and replaces any previous Attachment A's between HUD and the Agency and any previous amendments thereto.

A. Operating Subsidy

1. The calculation of operating subsidy will continue in accordance with applicable operating subsidy formula law and regulations.
2. For operating funds provided in years prior to the execution of the MTW Agreement, the Agency may use any accumulated operating reserves for eligible MTW purposes, subject to applicable provisions of the MTW Agreement.
3. All funds programmed for MTW purposes will be recorded and drawn from MTW designated line items on relevant HUD forms.

B. Capital Funds Program

1. The Agency's formula characteristics and grant amounts will continue to be calculated in accordance with applicable law and regulations.
2. All funds programmed for MTW purposes will be recorded and drawn from MTW designated line items on relevant HUD forms.
3. For capital funds provided in years prior to the execution of the MTW Agreement, the Agency may submit, and HUD will, as permitted by law, approve a request to reprogram, by grant year, any unobligated funds for eligible MTW purposes.

C. Housing Choice Voucher Program (HCVP) Subsidy

1. Until CY 2018, as provided in paragraph 6 of this Attachment A, for purposes of the Housing Choice Voucher Program funding, the Initial Year is calendar year 2009 (January 1, 2009 through December 31, 2009).
2. For purposes of the Housing Choice Voucher program funding, the base period for calculating initial funding is the baseline period established in the 2009 Appropriations or otherwise established for FFY 2009.

3. Initial year (CY 2009) HCVP housing assistance payments (HAP) subsidy will be based on the actual HAP expenses incurred by the Agency in the base period (established in the 2009 Appropriations or otherwise established for FFY 2009.).
4. Funding eligibility for the HCVP HAP in the Initial Year of this agreement will be equal to the base period expenses, adjusted for new units not fully represented in the base period expenses, and adjusted by the Annual Adjustment Factor (AAF) and by the applicable proration factor.
5. For subsequent years, the HAP renewal eligibility will be equal to the previous year's HAP renewal eligibility, adjusted by the current year's AAF and applicable proration factor percentage. HAP renewal eligibility funding in any year is subject to the requirements of the applicable Appropriations Act as it applies to an MTW Agency.
6. Notwithstanding the language of any prior Attachment A or any amended Attachment A executed by the Agency and HUD prior to this amendment, effective CY 2020, the base period leasing number for the calculation of the Agency's Administrative Fee shall be the CY 2008 9,314 unit months leased (UMLs) base. Accordingly, for CY 2020 and all subsequent years during the term of this Agreement, Administrative Fee funding shall be calculated by applying the designated base period leasing number to that current year's published administrative fee rate, and then applying the annual administrative fee national proration. Subsequent years' administrative fee calculations shall be calculated using the same method and employing each subsequent year's published administrative fee rate. Administrative fees will also be provided for new incremental vouchers added to the Agency's inventory by adding those incremental voucher's UMLs to the base period leasing number, and then calculating administrative fee in the same manner as described above. In exchange for this Amendment to its Attachment A, the Agency releases any contractual or statutory claim based on any calculation and distribution by HUD to the Agency of the Agency's Administrative Fee from 2008 through CY 2019.
7. In CY 2018, as a result of the Agency's absorption of the Upland Housing Authority (Upland), the agency's CY 2018 HAP renewal eligibility will be adjusted to include Upland's CY 2016 HAP expenses, adjusted by the 2017 and 2018 AAFs and by the CY 2018 national proration factor. In CY 2019 and thereafter for the duration of this agreement, the renewal eligibility will be calculated in accordance with paragraph 5 of this Attachment A.
8. In CY 2018, the agency's CY 2018 administrative fee eligibility will be adjusted to include the Upland's CY 2016 ongoing administrative fee eligibility (based on units reported leased in the CY 2016 period), subject to the CY 2018 national proration factor.
9. If the Agency receives incremental HCVP funding, the Agency must decide to either apply the incremental funding to their MTW block grant or to keep the incremental funding separate, as provided by law. In some cases, incremental funding may not be eligible for inclusion in the block grant as may be dictated by law.
10. All HCVP funding provided by HUD and not restricted under paragraph 8, above, or otherwise prohibited by law in the Initial Year and subsequent years under this agreement may be eligible for inclusion in the MTW flexible block grant.
11. The Agency will be eligible to receive Family Self Sufficiency coordinator funding in accordance with available appropriations and requirements.
12. There will be no year-end settlement of annual funds provided for the MTW HCVP subsidy. All funds provided through this calculation will remain available for authorized purposes.

13. Any sum held by the Agency in the Net Restricted Assets account resulting from HAP funding that exceeded HAP expenses for the period of January 1, 2005 through September 30, 2007, shall remain available and may be used for authorized purposes, subject to applicable provisions of the MTW Agreement and future appropriations statutes. Any sum held by the Agency resulting from Forfeited FSS Escrows and Fraud Recovery funds for the period of January 1, 2005 through September 30, 2007, shall remain available and may be used for authorized purposes, subject to applicable provisions of the MTW Agreement and future appropriations statutes. Any sum held by the Agency as excess administrative funds (Net Unrestricted Assets) shall remain available and may be used for authorized purposes subject to applicable provisions of the MTW Agreement and future appropriations statutes.

14. The agency will continue to receive reimbursement for FSS escrows deposited into participant's accounts, in any year for which the appropriations provides FSS escrow funding deposits for housing authorities. Funding eligibility in any year is subject to the requirements of the applicable Appropriations Act as it applies to MTW Agency.

15. Any vouchers received as part of a RAD Component I conversion shall be added to the ACC via funding of \$1 for the remainder of the CY in which they are awarded. HUD will issue a new increment of voucher funding in the first full CY following a RAD conversion. These amounts will be renewed in subsequent years based on the per unit funding of the increment award, adjusted via the renewal inflation factor and the applicable proration factor.

Administrative fees for RAD vouchers will be earned per each year's posted administrative fee rates and RAD vouchers under lease each month. Fees for RAD vouchers will be prorated at the same level that applies to all non-MTW agencies.

IN WITNESS WHEREOF, the parties have caused this Revised Attachment A to be executed by their duly authorized representatives.

HOUSING AUTHORITY OF THE COUNTY OF
SAN BERNARDINO

By: _____

Name: Maria Razo

Its: Executive Director

Date: _____

UNITED STATES DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

By: _____

Name: R. Hunter Kurtz

Its: Assistant Secretary, Public and Indian
Housing

Date: _____