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## City of Industry Property and Housing Management Authority

Regular Meeting Agenda  
AUGUST 8, 2018  
5:00 p.m.

Chairman Joseph Emmons  
Board Member Raheleh Gorginfar  
Board Member Erin Schriever

Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California

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### **Addressing the Authority:**

- ▶ **Agenda Items:** Members of the public may address the Authority on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Authority is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the Authority.
- ▶ **Public Comments (Non-Agenda Items):** Anyone wishing to address the Authority on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the Authority from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the Authority is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called by the City Clerk and prior to the individual being heard by the Authority.

### **Americans with Disabilities Act:**

- ▶ In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk's Office (626) 333-2211. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

### **Agendas and other writings:**

- ▶ In compliance with SB 343, staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Thursday 8:00 a.m. to 5:00 p.m., Friday 8:00 a.m. to 4:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.

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1. Call to Order
  2. Flag Salute
  3. Roll Call
  4. Public Comments

5. **BOARD MATTERS**

5.1 Consideration of the Register of Demands for August 8, 2018

*RECOMMENDED ACTION: Approve the Register of Demands for August 8, 2018.*

5.2 Consideration of the Statement of Investment Policy

*RECOMMENDED ACTION: Approve as submitted.*

5.2 Update regarding establishing an application process for existing and future vacant homes

*RECOMMENDED ACTION: Provide direction to staff.*

5.3 Update regarding establishing market rate rents for existing and future vacant homes

*RECOMMENDED ACTION: Provide direction to staff.*

5.4 Update regarding utility costs and unit metering

*RECOMMENDED ACTION: Provide direction to staff.*

5.5 Update regarding rent increase for existing tenants

*RECOMMENDED ACTION: Provide direction to staff.*

6. **CLOSED SESSION**

6.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): One Case

7. Adjournment. Next regular meeting: Wednesday, September 12, 2018 at 5:00 p.m.

*CITY OF INDUSTRY PROPERTY AND HOUSING  
MANAGEMENT AUTHORITY*

ITEM NO. 5.1

**INDUSTRY PROPERTY & HOUSING MANAGEMENT AUTHORITY**  
AUTHORIZATION FOR PAYMENT OF BILLS  
Board Meeting August 8, 2018

<u>FUND</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
160	INDUSTRY PROPERTY & HOUSING	47,105.69

<u>BANK</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
BofA	BANK OF AMERICA CHECKING	47,105.69

**APPROVED PER ACTING CITY MANAGER**

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**Industry Property and Housing Management Authority  
Board Meeting  
August 8, 2018**

Check	Date	Payee Name		Check Amount
<b>IPHMA.CHK - IPHMA BofA Checking</b>				
<b>21213</b>	07/12/2018	<b>INDUSTRY PUBLIC UTILITIES</b>		<b>\$205.56</b>
	Invoice	Date	Description	Amount
	2019-00000019	07/03/2018	4/16-6/18/18 SVC-14063 PROCTOR	\$205.56
<b>21214</b>	07/12/2018	<b>LA PUENTE VALLEY COUNTY WATER</b>		<b>\$773.30</b>
	Invoice	Date	Description	Amount
	2019-00000020	07/03/2018	4/16-6/18/18 SVC-15736 NELSON	\$106.07
	2019-00000021	07/03/2018	4/16-6/18/18 SVC-15730 NELSON	\$103.75
	2019-00000022	07/03/2018	4/16-6/18/18 SVC-15722 NELSON	\$110.71
	2019-00000023	07/03/2018	4/16-6/18/18 SVC-15652 NELSON	\$196.55
	2019-00000024	07/03/2018	4/16-6/18/18 SVC-15702 NELSON	\$133.91
	2019-00000025	07/03/2018	4/16-6/18/18 SVC-15714 NELSON	\$122.31
<b>21215</b>	07/12/2018	<b>ROWLAND WATER DISTRICT</b>		<b>\$198.08</b>
	Invoice	Date	Description	Amount
	2018-00001729	06/13/2018	5/17-6/13/18 SVC-17217 CHESTNUT	\$97.44
	2018-00001730	06/13/2018	5/17-6/13/18 SVC-17229 CHESTNUT	\$100.64
<b>21216</b>	07/12/2018	<b>SO CALIFORNIA EDISON COMPANY</b>		<b>\$82.52</b>
	Invoice	Date	Description	Amount
	2019-00000026	07/05/2018	6/4-7/3/18 SVC-15722 NELSON AVE	\$82.52
<b>21217</b>	07/23/2018	<b>SO CALIFORNIA EDISON COMPANY</b>		<b>\$13.90</b>
	Invoice	Date	Description	Amount
	2019-00000046	07/14/2018	06/13-7/13/18 SVC - 20137 E WALNUT DR S	\$13.90
<b>21218</b>	07/23/2018	<b>SOCALGAS</b>		<b>\$10.37</b>

**Industry Property and Housing Management Authority  
Board Meeting  
August 8, 2018**

Check	Date		Payee Name	Check Amount
<b>IPHMA.CHK - IPHMA BofA Checking</b>				
	Invoice	Date	Description	Amount
	2019-00000047	07/06/2018	06/04-07/03/18 SVC - 15722 NELSON AVE	\$10.37
<b>21219</b>	07/23/2018		<b>WALNUT VALLEY WATER DISTRICT</b>	<b>\$20.00</b>
	Invoice	Date	Description	Amount
	3054175	07/12/2018	06/05-07/03/18 SVC - 20137 WALNUT DR	\$20.00
<b>21220</b>	07/27/2018		<b>BANK OF AMERICA - VISA</b>	<b>\$6,903.05</b>
	Invoice	Date	Description	Amount
	7/2-7/10/18	07/26/2018	TEMP HOUSING FOR TENANTS OF 17229 CHESTNUT, 7	\$6,903.05
<b>21221</b>	07/27/2018		<b>BANK OF AMERICA - VISA</b>	<b>\$3,304.13</b>
	Invoice	Date	Description	Amount
	6/22-7/1/18	07/26/2018	TEMP HOUSING FOR TENANTS OF 17229 CHESTNUT, €	\$3,304.13
<b>21222</b>	07/31/2018		<b>INDUSTRY PUBLIC UTILITY COMMISSI</b>	<b>\$114.07</b>
	Invoice	Date	Description	Amount
	2019-00000052	07/18/2018	06/10-07/10/18 SVC - 16000 E TEMPLE AVE C	\$114.07
<b>21223</b>	08/08/2018		<b>ABORTA-BUG PEST CONTROL</b>	<b>\$1,820.00</b>
	Invoice	Date	Description	Amount
	10684	07/02/2018	JULY 2018 PEST SVC @ \$75 PER HOUSE	\$1,575.00
	10703	07/02/2018	RODENT TRAP CHECK - TEMPLE AVE CONDO A	\$245.00
<b>21224</b>	08/08/2018		<b>AIR-BREE, INC</b>	<b>\$385.09</b>
	Invoice	Date	Description	Amount
	1180629327	07/02/2018	A/C MAINTENANCE - 17229 CHESTNUT ST.	\$185.00

**Industry Property and Housing Management Authority  
Board Meeting  
August 8, 2018**

Check	Date			Payee Name	Check Amount
<b>IPHMA.CHK - IPHMA BofA Checking</b>					
	1180707359	07/09/2018	A/C REPAIR - 15714 NELSON AVE.		\$200.09
<b>21225</b>	08/08/2018			<b>CHAD'S PROFESSIONAL CLEANING</b>	<b>\$295.00</b>
	Invoice	Date	Description		Amount
	6/28/18	06/28/2018	CARPET CLEANING - 17229 CHESTNUT ST		\$295.00
<b>21226</b>	08/08/2018			<b>CNC ENGINEERING</b>	<b>\$11,617.50</b>
	Invoice	Date	Description		Amount
	457062	07/12/2018	IPHMA ISSUES		\$2,967.50
	457113	07/12/2018	IPHMA ISSUES - 17229 CHESTNUT		\$4,702.50
	457178	07/26/2018	IPHMA ISSUES		\$3,947.50
<b>21227</b>	08/08/2018			<b>ENVIROCHECK, INC</b>	<b>\$2,120.00</b>
	Invoice	Date	Description		Amount
	156251	06/27/2018	EMERGENCY MOLD SVC - 17229 CHESTNUT		\$1,345.00
	156638	07/05/2018	EMERGENCY MOLD SVC - 17229 CHESTNUT		\$775.00
<b>21228</b>	08/08/2018			<b>IPHMA - PAYROLL ACCOUNT</b>	<b>\$1,500.00</b>
	Invoice	Date	Description		Amount
	JUL-18	07/30/2018	REIMBURSE PAYROLL - JULY 2018		\$1,500.00
<b>21229</b>	08/08/2018			<b>MEAGI WINDOWS AND DOORS, INC.</b>	<b>\$1,016.33</b>
	Invoice	Date	Description		Amount
	M19696	07/02/2018	NEW WINDOWS - 17229 CHESTNUT ST		\$1,016.33
<b>21230</b>	08/08/2018			<b>MOJARRO'S LANDSCAPING</b>	<b>\$490.00</b>
	Invoice	Date	Description		Amount

**Industry Property and Housing Management Authority  
Board Meeting  
August 8, 2018**

Check	Date		Payee Name	Check Amount
<b>IPHMA.CHK - IPHMA BofA Checking</b>				
	JAN-JUL 2018	07/03/2018	JAN-JUL 2018 LANDSCAPE SVC FOR 130-138 TURNBUL	\$490.00
<b>21231</b>	08/08/2018		<b>RESTORATION 1 OF THE FOOTHILLS</b>	<b>\$6,000.00</b>
	Invoice	Date	Description	Amount
	30187	07/02/2018	EMERGENCY WATER LEAK REPAIR - 17229 CHESTNUT	\$6,000.00
<b>21232</b>	08/08/2018		<b>ROWLAND WATER DISTRICT</b>	<b>\$172.48</b>
	Invoice	Date	Description	Amount
	2019-00000082	07/25/2018	06/13-07/12/18 SVC - 17217 CHESTNUT	\$132.64
	2019-00000083	07/25/2018	06/13-07/12/18 SVC - 17229 CHESTNUT	\$39.84
<b>21233</b>	08/08/2018		<b>SATSUMA LANDSCAPE &amp; MAINT.</b>	<b>\$10,064.31</b>
	Invoice	Date	Description	Amount
	0618EHNHCS	06/28/2018	JUNE 2018 LANDSCAPE MAINTENANCE	\$10,064.31

Checks	Status	Count	Transaction Amount
	Total	21	\$47,105.69



*CITY OF INDUSTRY PROPERTY AND HOUSING  
MANAGEMENT AUTHORITY*

ITEM NO. 5.2



# INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY

## MEMORANDUM

To: Honorable Chair and Members of the City of Industry Property and Housing Management Authority

From: Troy Helling, Executive Director *TH*

Staff: Elise Calvo, Treasurer *EC*

Date: July 26, 2018

**Subject: Statement of Investment Policy**

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### OVERVIEW

Section 53646 (a)(2) of the California Government Code, states that the Treasurer or chief fiscal officer of any other local agency may annually render to his/her legislative body and any oversight committee an investment policy, that the legislative body shall consider at a public meeting.

This Agenda Item includes the Statement of Investment Policy for the Industry Property and Housing Management Authority, (IPHMA) dated July 26, 2018, for all future investments, pursuant to Section 53601 and Section 53635 of the California Government Code.

This investment Policy serves as the foundation of the IPHMA's investment goals and priorities. This policy will be reviewed regularly or at least annually to assure that it continues to meet the IPHMA's portfolio goals/priorities, with the intent to protect the assets of the Industry Property and Housing Management Authority. The existence of an approved investment policy demonstrates that the governing body is performing its fiduciary responsibilities, thereby, inspiring trust and confidence among the public that it serves.

### RECOMMENDATION

It is my recommendation that the Authority approve the Investment Policy.

# City of Industry

STATEMENT OF INVESTMENT POLICY

ELISE CALVO, CITY OF TREASURER

**CITY OF INDUSTRY**  
**STATEMENT OF INVESTMENT POLICY**

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# CITY OF INDUSTRY

## STATEMENT OF INVESTMENT POLICY

Effective July 26, 2018

(Supersedes All Previous Investment Policies)

**1.0 Introduction.** The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities. Related activities which comprise good cash management include accurate cash projections, the expeditious collection of revenue, the control of disbursements, cost-effective banking relations, and arranging for a short-term borrowing program which coordinates working capital requirements and investment opportunities.

**2.0 Policy.** It is the policy of the City of Industry to invest public funds not required for immediate day-to-day operations in safe, liquid and medium term investments. These investments shall yield an acceptable return while conforming to all California statutes and the City's Investment Policy.

**3.0 Scope.** It is intended that this policy cover the investment activities of all contingency reserves and inactive cash under the direct authority of the City.

**3.1 Pooled Investments.** Investments for the City and its component units will be made on a pooled basis including, but not limited to, the City of Industry, the Successor Agency to the Industry Urban-Development Agency, the Civic-Recreational-Industrial Authority, the Industry Public Utilities Commission, the Industry Public Facilities Authority and the Industry Property and Housing Management Authority. The City's identifies the fund types involved as follows:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Enterprise Funds
- Trust Funds
- Miscellaneous Special Funds
- Any new funds created by the applicable governing board, unless specifically exempted

**3.2 Investments held separately.** Investment of bond proceeds will be held separately when required by the bond indentures. Bond proceeds will be invested in accordance with the requirements stated in the bond indentures. This policy does not apply to deferred compensation plans.

## CITY OF INDUSTRY

### STATEMENT OF INVESTMENT POLICY

**4.0 Objectives.** Section 53600.5 of the California Government Code outlines the primary objectives of a trustee investing public money. The primary objectives, in order of priority, of the City's investment activities shall be:

**4.1. Safety.** Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.

**4.2 Liquidity.** The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

**4.3 Return on investment.** Investment return becomes a consideration only after the basic requirements of safety and liquidity have been met. The City Treasurer shall attempt to realize a yield on investments consistent with California statutes and the City's Investment Policy.

The City Treasurer should strive to maintain the level of investment of all contingency reserves and inactive funds as close to one hundred percent (100%) as possible. While the objectives of safety and liquidity must first be met, it is recognized that portfolio assets represent a potential source of significant revenues. It is to the benefit of the City that these assets be managed to realize a yield on investments consistent with California statutes and the City's Investment Policy.

A buy and hold strategy will generally be followed; that is, investments once made will usually be held until maturity. A buy and hold strategy will result in unrealized gains or losses as market interest rates fall or rise from the coupon rate of the investment. Unrealized gains or losses, however, will diminish as the maturity dates of the investments are approached or as market interest rates move closer to the coupon rate of the investment. A buy and hold strategy requires that the portfolio be kept sufficiently liquid to preclude the undesired sale of investments prior to maturity. Occasionally, the City Treasurer may find it advantageous to sell an investment prior to maturity, but this should only be on an exception basis and only when it is in the best interest of the City.

**CITY OF INDUSTRY**

**STATEMENT OF INVESTMENT POLICY**

**5.0 Authorized investments.** The City Treasurer may invest City funds in the following investments as specified in the California Government Code Section 53601 and is further limited to only these specified investments.

	<b>Investment Type</b>	<b>Maximum Maturity</b>	<b>Maximum Specified % of Portfolio</b>	<b>Minimum Quality Requirements</b>
a.	Securities of the US Government, or its agencies	5 years	None	None
b.	Negotiable certificates of deposits	5 years	30%	None
c.	Non-negotiable certificates of deposits	5 years	None	None
d.	Bankers Acceptances	180 days	40% and no more than 30% of any one commerical bank	None
e.	Commercial Paper	270 days	25% and no more than 10% of a single issuer	A-1 or higher rating from an NRSRO
f.	Local Agency Investment Fund (State pool) deposits (Govt. Code Section 16429.1)	N/A	None	None
g.	Passbook Savings account demand deposits			
h.	Repurchase Agreements	1 year	None	None
i.	Los Angeles County Investment Pool (California Govt. Code Section 53684)	N/A	None	None
j.	It is the City of Industry's policy not to utilize Reverse Repurchase Agreements or shares of beneficial interest issued by diversified management companies (mutual funds), unless that fund is composed entirely of securities of the U.S. Government, or its agencies, and the use of such funds shall be restricted to sweep accounts. (Reverse Repurchase Agreements shall be permitted if they are assets of the Local Agency Investment Fund).			

## CITY OF INDUSTRY

### STATEMENT OF INVESTMENT POLICY

**6.0 Reporting.** Sections 53607 and 53646 of the California Government Code allows the City Council, at its discretion, to require reports meeting the standards set forth in these sections, as well as any additional information desired. Therefore, it is the policy of the City that the City Treasurer or designee appointed by the City Treasurer file a report on the investments and transactions with the City Council as described in Sections 53607 and 53646 of the California Government Code.

**7.0 Selection of financial institutions and brokers/dealers.** Investments shall be purchased only through well established, financially sound institutions. The City Treasurer or City Manager or their designee may maintain a list of financial institutions and broker/dealers who are approved to provide the City with investment services. This list should be updated annually by the City Treasurer to ensure compliance with this investment policy. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions will be given a copy of the City's Investment Policy, and a return cover letter which they must sign indicating that the investment policy has been read, understood and that their investment offers will comply with this policy.

All financial institutions and broker/dealers will take direction from the City Treasurer or City Manager or their designee as it relates to the investment strategy and investment policy of the City. Any instructions will be in the form of written instructions via email or other electronic transmissions.

Qualified financial institutions and broker/dealers must supply the City Treasurer or City Manager or their designee with the following:

#### **7.1 Financial Institutions**

- Current audited financial statements
- Depository contracts, as appropriate
- A copy of the latest FDIC call report or the latest FHLBB report, as appropriate
- Proof that commercial banks, savings banks, or savings and loan associations are state or federally chartered

#### **7.2 Broker/Dealers**

- Current audited financial statements
- Proof that brokerage firms are members in good standing of a national securities exchange, or
- A designation as a primary government dealer by the Federal Reserve Bank.

Commercial banks, savings banks, and savings and loan associations must maintain a minimum net worth to asset ratio as provided by law (total regulatory net worth divided by total assets), and must have had a positive net earnings for the last reporting period



## CITY OF INDUSTRY

### STATEMENT OF INVESTMENT POLICY

The City is prohibited from selecting any broker/dealer that has made a campaign contribution within any consecutive 48-month period which exceeds the limitations contained Rule G-37 of the Municipal Securities Rulemaking Board.

**8.0 Ethics and conflicts of interest.** All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment recommendations and decisions. Investment officials and employees shall make all disclosures appropriate under the Fair Political Practices Act and may seek the advice of the City Attorney and the Fair Political Practices Commission whenever there is a question of personal financial or investment positions that could represent potential conflicts of interest.