



City of Industry Property and Housing Management Authority

Regular Meeting Agenda
February 13, 2019
5:00 p.m.

Chairman Raheleh Gorginfar
Vice Chair Phil Cook
Board Member Ken Calvo
Board Member Joseph Emmons
Board Member Erin Schriever

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

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
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5. **BOARD MATTERS**

- 5.1 Consideration of the Register of Demands for February 13, 2019

RECOMMENDED ACTION: Approve the Register of Demands for February 13, 2019.

- 5.2 Consideration of the minutes of the August 8, 2018 regular meeting, January 9, 2019 regular meeting, and January 9, 2019 special meeting

RECOMMENDED ACTION: Approve as submitted.

- 5.3 Consideration of the Industry Property and Housing Management Authority's Year Ended June 30, 2018 Annual Financial Reports

RECOMMENDED ACTION: Receive and file the annual financial reports.

- 5.4 Update and Discussion Regarding the Demolition and Repair Work to the Kitchen Area at 15702 Nelson Avenue

RECOMMENDED ACTION: Receive and File and Provide Direction, if any.

- 5.5 Discussion and Direction Regarding Amendments to Existing Leases

RECOMMENDED ACTION: Provide direction to Staff.

- 5.6 Discussion and Direction Regarding the Establishment of Guidelines for the IPHMA's Housing Program

RECOMMENDED ACTION: Provide direction to Staff.

6. Adjournment. Next regular meeting: Wednesday, March 13, 2019 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 February 13, 2019

<u>FUND</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
160	INDUSTRY PROPERTY & HOUSING	69,267.50

<u>BANK</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
BofA	BANK OF AMERICA CHECKING	69,267.50

APPROVED PER CITY MANAGER

**Industry Property and Housing Management Authority
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Check	Date			Payee Name	Check Amount
IPHMA.CHK - IPHMA BofA Checking					
21298	01/08/2019			INDUSTRY PUBLIC UTILITIES	\$1,265.52
	Invoice	Date	Description	Amount	
	2019-00000844	12/17/2018	10/19-12/17/18 SVC - 16217 TEMPLE	\$82.56	
	2019-00000845	12/17/2018	10/19-12/17/18 SVC - 16218 TEMPLE	\$84.66	
	2019-00000846	12/17/2018	10/19-12/17/18 SVC - 16220 TEMPLE	\$80.46	
	2019-00000847	12/17/2018	10/19-12/17/18 SVC - 16224 TEMPLE	\$82.82	
	2019-00000848	12/17/2018	10/19-12/17/18 SVC - 16242 TEMPLE	\$89.12	
	2019-00000849	12/17/2018	10/19-12/17/18 SVC - 16238 TEMPLE	\$119.72	
	2019-00000850	12/17/2018	10/19-12/17/18 SVC - 14063 PROCTOR	\$120.36	
	2019-00000851	12/17/2018	10/19-12/17/18 SVC - 16212 TEMPLE	\$179.88	
	2019-00000852	12/17/2018	10/19-12/17/18 SVC - 16227 TEMPLE	\$84.66	
	2019-00000853	12/17/2018	10/19-12/17/18 SVC - 16229 TEMPLE	\$101.46	
	2019-00000854	12/17/2018	10/19-12/17/18 SVC - 16000 TEMPLE AVE CONDO A & B	\$148.86	
	2019-00000855	12/17/2018	10/19-12/17/18 SVC - 16000 TEMPLE AVE CONDO C & D	\$90.96	
21299	01/08/2019			INDUSTRY PUBLIC UTILITY COMMISSI	\$83.38
	Invoice	Date	Description	Amount	
	2019-00000856	12/17/2018	11/10-12/10/18 SVC - 16000 E TEMPLE AVE C	\$83.38	
21300	01/08/2019			LA PUENTE VALLEY COUNTY WATER	\$752.25
	Invoice	Date	Description	Amount	
	2019-00000857	12/17/2018	10/19-12/17/18 SVC - 15652 NELSON	\$139.73	
	2019-00000858	12/17/2018	10/19-12/17/18 SVC - 15702 NELSON	\$148.64	
	2019-00000859	12/17/2018	10/19-12/17/18 SVC - 15714 NELSON	\$124.88	
	2019-00000860	12/17/2018	10/19-12/17/18 SVC - 15722 NELSON	\$133.79	
	2019-00000861	12/17/2018	10/19-12/17/18 SVC - 15730 NELSON	\$107.06	
	2019-00000862	12/17/2018	10/19-12/17/18 SVC - 15736 NELSON	\$98.15	

**Industry Property and Housing Management Authority
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Check	Date		Payee Name	Check Amount
IPHMA.CHK - IPHMA BofA Checking				
21301	01/08/2019		ROWLAND WATER DISTRICT	\$143.68
	Invoice	Date	Description	Amount
	2019-00000863	12/26/2018	11/15-12/12/18 SVC - 17229 CHESTNUT	\$59.04
	2019-00000864	12/26/2018	11/15-12/12/18 SVC - 17217 CHESTNUT	\$84.64
21302	01/16/2019		KLINE'S PLUMBING, INC.	\$5,658.97
	Invoice	Date	Description	Amount
	10955	01/03/2019	EMERGENCY PLUMBING SVC - 17229 CHESTNUT	\$5,658.97
21303	01/16/2019		SO CALIFORNIA EDISON COMPANY	\$35.16
	Invoice	Date	Description	Amount
	2019-00000947	01/04/2019	12/03/18-01/03/19 SVC - 15722 NELSON AVE	\$35.16
21304	01/25/2019		SOCALGAS	\$15.75
	Invoice	Date	Description	Amount
	2019-00000991	01/09/2019	12/05-01/07/19 SVC - 15722 NELSON AVE	\$15.75
21305	01/25/2019		WALNUT VALLEY WATER DISTRICT	\$20.00
	Invoice	Date	Description	Amount
	3217798	01/10/2019	12/04-01/02/19 SVC - 20137 WALNUT DR	\$20.00
21306	01/31/2019		INDUSTRY PUBLIC UTILITY COMMISSI	\$92.37
	Invoice	Date	Description	Amount
	2019-00001028	01/17/2019	12/10-01/10/19 SVC - 16000 E TEMPLE AVE C	\$92.37
21307	01/31/2019		SO CALIFORNIA EDISON COMPANY	\$14.19

**Industry Property and Housing Management Authority
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February 13, 2019**

Check	Date		Payee Name	Check Amount
IPHMA.CHK - IPHMA BofA Checking				
	Invoice	Date	Description	Amount
	2019-00001029	01/12/2019	12/12-01/11/19 SVC - 20137 E WALNUT DR S	\$14.19
21308	02/05/2019		LAW OFFICES OF LIDDLE & LIDDLE	\$1,025.00
	Invoice	Date	Description	Amount
	5572	01/17/2019	LEGAL SVC - 1/15-1/17/19	\$210.00
	5689	01/31/2019	LEGAL SVC - 1/31/19	\$815.00
21309	02/13/2019		ABORTA-BUG PEST CONTROL	\$3,860.00
	Invoice	Date	Description	Amount
	11231	09/05/2018	RODENT TRAP CHECK - 15652 NELSON AVE	\$75.00
	12009	01/02/2019	RODENT TRAP CHECK - 15652 NELSON AVE	\$85.00
	12013	01/03/2019	INSTALLATION OF RODENT TRAPS - 16238 TEMPLE AV	\$100.00
	11986	01/07/2019	JANUARY 2019 PEST SVC @\$75 PER HOUSE	\$1,575.00
	12015	01/07/2019	RODENT TRAP CHECK - 16238 TEMPLE AVE	\$75.00
	12016	01/07/2019	INSTALLATION OF RODENT TRAPS - 16224 TEMPLE AV	\$75.00
	12017	01/07/2019	INSTALLATION OF RODENT TRAPS - 16220 TEMPLE AV	\$75.00
	12027	01/23/2019	RODENT TRAP CHECK - 16220 TEMPLE AVE	\$75.00
	12176	01/28/2019	RODENT TRAP CHECK - 16224 TEMPLE AVE	\$75.00
	12177	01/28/2019	RODENT TRAP CHECK - 16238 TEMPLE AVE	\$75.00
	12166	02/04/2019	FEBRUARY 2019 PEST SVC @\$75 PER HOUSE	\$1,575.00
21310	02/13/2019		AIR-BREE, INC	\$1,228.48
	Invoice	Date	Description	Amount
	1181102727	11/02/2018	A/C REPAIR - 17217 CHESTNUT ST	\$88.00
	1181129772	11/29/2018	REPLACE HVAC BLOWER WHEEL - 16224 TEMPLE AVE	\$343.15
	1190102838	01/02/2019	REPLACE CONTROL BOARD ON FURNACE - 16224 TEM	\$445.33

**Industry Property and Housing Management Authority
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Check	Date		Payee Name	Check Amount
IPHMA.CHK - IPHMA BofA Checking				
	1190108852	01/08/2019	HVAC REPAIRS - 15702 NELSON AVE	\$264.00
	1190117861	01/16/2019	INSPECTION OF HVAC SYSTEM - 15652 NELSON AVE	\$88.00
21311	02/13/2019		CNC ENGINEERING	\$21,875.00
	Invoice	Date	Description	Amount
	458011	01/10/2019	IPHMA ISSUES	\$10,082.50
	458030	01/31/2019	IPHMA ISSUES	\$11,792.50
21312	02/13/2019		IPHMA - PAYROLL ACCOUNT	\$4,000.00
	Invoice	Date	Description	Amount
	JAN-19	01/31/2019	REIMBURSE PAYROLL - JANUARY 2019	\$4,000.00
21313	02/13/2019		KLINE'S PLUMBING, INC.	\$3,300.00
	Invoice	Date	Description	Amount
	10947	12/18/2018	EMERGENCY PLUMBING SVC - 16212 TEMPLE AVE	\$675.00
	10958	01/08/2019	EMERGENCY PLUMBING SVC - 16220 TEMPLE AVE	\$1,275.00
	10959	01/08/2019	EMERGENCY PLUMBING SVC - 15730 NELSON AVE	\$350.00
	10974	01/17/2019	EMERGENCY PLUMBING SVC - 16000 TEMPLE AVE COI	\$275.00
	10975	01/17/2019	EMERGENCY PLUMBING SVC - 15730 NELSON AVE	\$350.00
	10976	01/17/2019	EMERGENCY PLUMBING SVC - 16224 TEMPLE AVE	\$375.00
21314	02/13/2019		LOWE'S/SYNCHRONY BANK	\$1,046.47
	Invoice	Date	Description	Amount
	85784	12/07/2018	DISHWASHER - 17217 CHESTNUT ST	\$415.06
	80910	12/18/2018	CARPET MEASURING - 17229 CHESTNUT ST	\$40.00
	981628	12/27/2018	NEW FLOORING - 17229 CHESTNUT ST	\$591.41

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Check	Date		Payee Name	Check Amount
IPHMA.CHK - IPHMA BofA Checking				
21315	02/13/2019		MOM'S APPLIANCE REPAIR	\$250.00
	Invoice	Date	Description	Amount
	1140	11/14/2018	INSTALLATION OF DISHWASHER - 17217 CHESTNUT S	\$250.00
21316	02/13/2019		RESTORATION 1 OF THE FOOTHILLS	\$2,825.00
	Invoice	Date	Description	Amount
	30387	12/21/2018	EMERGENCY SVC DUE TO LEAK - 17229 CHESTNUT ST	\$2,825.00
21317	02/13/2019		SATSUMA LANDSCAPE & MAINT.	\$21,208.28
	Invoice	Date	Description	Amount
	1218EHNHCS	12/28/2018	DECEMBER 2018 LANDSCAPE MAINTENANCE	\$9,976.29
	0119EHNHCS	01/30/2019	JANUARY 2019 LANDSCAPE MAINTENANCE	\$11,231.99
21318	02/13/2019		STATE WATER RESOURCES CONTROL	\$568.00
	Invoice	Date	Description	Amount
	SW-0166827	01/10/2019	ANNUAL PERMIT FEE - 20137 WALNUT DR SOUTH	\$568.00

Checks	Status	Count	Transaction Amount
	Total	21	\$69,267.50

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 5.2

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
AUGUST 8, 2018
PAGE 1

The Regular Meeting of the Property and Housing Management Authority of the City of Industry, California, was called to order by Chairman Joseph Emmons at 5:03 p.m. in the City of Industry Council Chamber, 15651 East Stafford Street, California.

FLAG SALUTE

The flag salute was led by Chairman Joseph Emmons.

ROLL CALL

PRESENT: Joseph Emmons, Chairman
Raheleh Gorginfar, Board Member
Erin Schriever, Board Member

STAFF PRESENT: Troy Helling, Acting City Manager; Bing Hyun, Assistant City Manager; Diane M. Schlichting, Secretary; James M. Casso, General Counsel; Bianca Sparks, Assistant General Counsel; and Lynn Thompson, Administrative Technician I.

PUBLIC COMMENTS

There were no public comments.

CONSIDERATION OF THE REGISTER OF DEMANDS FOR AUGUST 8, 2018

MOTION BY BOARD MEMBER SCHRIEVER, AND SECOND BY CHAIRMAN EMMONS, TO APPROVE THE REGISTER OF DEMANDS FOR AUGUST 8, 2018. MOTION CARRIED 3-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	GORGINFAR, SCHRIEVER, C/EMMONS
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	NONE
ABSTAIN:	BOARD MEMBERS:	NONE

CONSIDERATION OF THE STATEMENT OF INVESTMENT POLICY

MOTION BY CHAIRMAN EMMONS, AND SECOND BY BOARD MEMBER SCHRIEVER TO APPROVE AS SUBMITTED. MOTION CARRIED 3-0, BY THE FOLLOWING VOTE:

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
AUGUST 8, 2018
PAGE 2

AYES: BOARD MEMBERS: GORGINFAR, SCHRIEVER, C/EMMONS
NOES: BOARD MEMBERS: NONE
ABSENT: BOARD MEMBERS: NONE
ABSTAIN: BOARD MEMBERS: NONE

Acting City Manager Helling mentioned that the agenda has two, 5.2 items on the agenda in error. The correction has been noted.

UPDATE REGARDING ESTABLISHING AN APPLICATION PROCESS FOR EXISTING AND FUTURE VACANT HOMES

Acting Manager Helling pulled this item from the agenda for further review and will be brought back at the next regular meeting. Direction was given, no vote was needed.

UPDATE REGARDING ESTABLISHING MARKET RATE RENTS FOR EXISTING AND FUTURE VACANT HOMES

Acting Manager Helling pulled this item from the agenda for further review and will be brought back at the next regular meeting. Direction was given, no vote was needed.

UPDATE REGARDING UTILITY COSTS AND UNIT METERING

Acting Manager Helling pulled this item from the agenda for further review and will be brought back at the next regular meeting. Direction was given, no vote was needed.

UPDATE REGARDING RENT INCREASE FOR EXISTING TENANTS

Acting Manager Helling pulled this item from the agenda for further review and will be brought back at the next regular meeting. Direction was given, no vote was needed.

CLOSED SESSION

Administrative Technician I Thompson announced there was a need for Closed Session as follows:

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

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
AUGUST 8, 2018
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There were no public comments on the Closed Session item.

Chairman Emmons recessed the meeting into Closed Session at 5:10 p.m.

**RECONVENE CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT
AUTHORITY MEETING**

Chairman Emmons reconvened the meeting at 5:35 p.m. All Board Members were present. General Counsel Casso reported out of Closed Session.

With regard to the Closed Session Item 6.1, direction was given to the authority counsel and no further action was taken.

Nothing further to report at this time.

ADJOURNMENT

There being no further business, the Industry Property and Housing Management Authority adjourned at 5:36 p.m.

Joseph Emmons, Chairman

Diane M. Schlichting
Secretary

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JANUARY 9, 2019
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The Regular Meeting of the Property and Housing Management Authority of the City of Industry, California, was called to order by Chairman Joseph Emmons at 5:02 p.m. in the City of Industry Council Chamber, 15651 East Stafford Street, California.

FLAG SALUTE

The flag salute was led by Chairman Joseph Emmons.

ROLL CALL

PRESENT: Joseph Emmons, Chairman
Ken Calvo, Board Member
Phil Cook, Board Member
Raheleh Gorginfar, Board Member
Erin Schriever, Board Member

STAFF PRESENT: Troy Helling, City Manager; Bing Hyun, Assistant City Manager; Julie Robles, Assistant Secretary; Jamie M. Casso, General Counsel; Bianca Sparks, Assistant General Counsel; and Lynn Thompson, Administrative Technician I.

PUBLIC COMMENTS

There were no public comments.

CONSIDERATION OF THE REGISTER OF DEMANDS FOR JANUARY 9, 2019

MOTION BY BOARD MEMBER SCHRIEVER, AND SECOND BY BOARD MEMBER COOK, TO APPROVE THE REGISTER OF DEMANDS FOR JANUARY 9, 2019. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	CALVO, COOK, GORGINFAR, SCHRIEVER, C/EMMONS
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	NONE
ABSTAIN:	BOARD MEMBERS:	NONE

CONSIDERATION OF THE MINUTES OF THE DECEMBER 12, 2018 REGULAR MEETING

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JANUARY 9, 2019
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MOTION BY BOARD MEMBER SCHRIEVER, AND SECOND BY BOARD MEMBER GORGINFAR, TO APPROVE AS SUBMITTED. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	CALVO, COOK, GORGINFAR, SCHRIEVER, C/EMMONS
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	NONE
ABSTAIN:	BOARD MEMBERS:	NONE

CONSIDERATION OF APPOINTMENT OF CHAIRPERSON AND VICE CHAIRPERSON

MOTION BY BOARD MEMBER CALVO TO NOMINATE BOARD MEMBER GORGINFAR TO CHAIRPERSON.

With no other nominees motioned, Gorginfar has been nominated as the new Chairperson.

MOTION BY CHAIRMAN EMMONS TO NOMINATE BOARD MEMBER SCHRIEVER TO VICE CHAIRPERSON.

MOTION BY BOARD MEMBER CALVO TO NOMINATE BOARD MEMBER COOK TO VICE CHAIRMAN.

A vote of 3-2, with Gorginfar, Cook, and Calvo voting for Phil Cook, and Emmons and Schriever voting for Erin Schriever was taken, for a final vote of 3-2 for Phil Cook as the new Vice Chairman.

ADJOURNMENT

There being no further business, the Industry Property and Housing Management Authority adjourned at 5:10 p.m.

Joseph Emmons, Chairman

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JANUARY 9, 2019
PAGE 3

Julie Robles
Assistant Secretary

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
SPECIAL MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JANUARY 9, 2019
PAGE 1

The Special Meeting of the Property and Housing Management Authority of the City of Industry, California, was called to order by Chairman Raheleh Gorginfar at 5:02 p.m. in the City of Industry Council Chamber, 15651 East Stafford Street, California.

FLAG SALUTE

The flag salute was led by Board Member Joseph Emmons.

ROLL CALL

PRESENT: Raheleh Gorginfar, Chairman
Phil Cook, Vice Chairman
Ken Calvo, Board Member
Joseph Emmons, Board Member
Erin Schriever, Board Member

STAFF PRESENT: Troy Helling, City Manager; Bing Hyun, Assistant City Manager; Julie Robles, Assistant Secretary; Jamie M. Casso, General Counsel; Bianca Sparks, Assistant General Counsel; and Lynn Thompson, Administrative Technician I.

PUBLIC COMMENTS

There were no public comments.

UPDATE AND DISCUSSION REGARDING PROPOSED HOUSING CONSULTANT AND RELATED ISSUES

Assistant City Manager Hyun provided a staff report with updates with regards to proposed housing consultant and related issues. Discussion pursued among the Board Members and direction was given to issue a Request for Quote (RFQ) for a consultant to help with documents, rules and policies. After posting of the RFQ it should take approximately 30 days to execute, with the timeframe being March of 2019 at the earliest.

Direction was given, no vote was taken.

CLOSED SESSION

CITY OF INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY
SPECIAL MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
JANUARY 9, 2019
PAGE 2

Administrative Technician 1, Thompson announced there was a need for Closed Session as follows:

- 6.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to Government Code Section 54956.9(d)(4):
Two Potential Cases

- 6.2 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code Section
54956.9(d)(2):
Six Potential Cases

There were no public comments on the Closed Session item.

Chairman Gorginfar recessed the meeting into Closed Session at 5:18 p.m.

RECONVENE CITY COUNCIL MEETING

Chairman Gorginfar reconvened the meeting at 5:43 p.m. All members of the Property and Housing Management Authority were present.

City Attorney Casso reported out of Closed Session.

With regard to Closed Session items 6.1 and 6.2, direction was given to the Executive Director and Legal Counsel, no final action was taken. Nothing further to report at this time.

ADJOURNMENT

There being no further business, the Industry Property and Housing Management Authority adjourned at 5:44 p.m.

Joseph Emmons, Chairman

Julie Robles
Assistant Secretary

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 5.3



INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY

MEMORANDUM

TO: Board Directors

FROM: Troy Helling, City Manager *TH*

STAFF: Yamini Pathak, Director of Finance
Dean Yamagata, City Contracted Accounting Services

Date: February 13, 2019

Subject: Industry Property and Housing Management Authority's Year Ended June 30, 2018 Annual Financial Reports

RECOMMENDATION

Receive and file the annual financial reports.

Industry Property and Housing Management Authority

Annual Audited Financial Statements for the Year Ended June 30, 2018, excerpts from the financial statements of the City of Industry.

EXECUTIVE SUMMARY

The Authority's independent auditors, The Pun Group, LLP, have completed their annual audit of the Authority's financial statements for the year ended June 30, 2018. The Authority's operations are included as part of the City of Industry financial and there is no separate financial statement issued on the Authority's operations. However the financial statements of the City of Industry which includes the Authority's operations received an unqualified (or clean) opinion.

DESCRIPTION OF REPORTS

The annual financial statement is a comprehensive document reflecting the financial position of the Authority at June 30, 2018.

FISCAL IMPACT

There is no fiscal impacts as result of this action.

City of Industry
Statement of Net Position
Proprietary Funds
June 30, 2018

		Enterprise Funds			
		Industry Public Utilities Commission Funds	Civic- Recreational- Industrial Authority Industry Hills- Expo Center Fund	Property and Housing Management Authority Fund	Total
ASSETS					
Current assets:					
Cash	\$	1,146,028	\$ 255,918	\$ 42,283	\$ 1,444,229
Investments		19,794,558	-	9,054	19,803,612
Accounts receivable, net		1,303,037	106,252	1,125	1,410,414
Accrued interest		81,287	-	43	81,330
Inventories		10,000	62,278	-	72,278
Prepaid items		496,542	9,722	-	506,264
Deposits		-	3,000	-	3,000
Total current assets		22,831,452	437,170	52,505	23,321,127
Noncurrent assets:					
Capital assets:					
Capital assets, not being depreciated		918,388	-	6,729,380	7,647,768
Capital assets, being depreciated, net		12,369,449	6,577,310	3,541,813	22,488,572
Total capital assets, net		13,287,837	6,577,310	10,271,193	30,136,340
Total noncurrent assets		13,287,837	6,577,310	10,271,193	30,136,340
Total assets		36,119,289	7,014,480	10,323,698	53,457,467
LIABILITIES					
Accounts payable		855,573	139,060	29,573	1,024,206
Accrued liabilities		-	30,210	-	30,210
Deposits		8,123,087	74,718	1,300	8,199,105
Due to other funds		27,700	-	94	27,794
Unearned revenue		6,273,425	178,298	-	6,451,723
Total liabilities		15,279,785	422,286	30,967	15,733,038
NET POSITION					
Investment in capital assets		13,287,837	6,577,310	10,271,193	30,136,340
Unrestricted		7,551,667	14,884	21,538	7,588,089
Total net position	\$	20,839,504	\$ 6,592,194	\$ 10,292,731	\$ 37,724,429

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City of Industry
Statement of Revenues, Expenses, and Changes in Fund Position
Proprietary Funds
For the Year Ended June 30, 2018

	Enterprise Funds			Total
	Industry Public Utilities Commission Funds	Civic- Recreational- Industrial Authority Industry Hills- Expo Center Fund	Property and Housing Management Authority Fund	
OPERATING REVENUES:				
Water sales and service	\$ 3,270,180	\$ -	\$ -	\$ 3,270,180
Electric and solar energy sales	5,098,350	-	-	5,098,350
Event and rental revenues	-	2,173,034	210,450	2,383,484
Other revenues	43,168	11,302	-	54,470
Total operating revenues	8,411,698	2,184,336	210,450	10,806,484
OPERATING EXPENSES:				
Purchased water	98,204	-	-	98,204
Purchased electricity	2,288,687	-	-	2,288,687
General administration	4,526,837	1,242,050	24,477	5,793,364
Expo Center operations	-	1,378,863	-	1,378,863
Housing Authority operations	-	-	380,326	380,326
Depreciation	679,813	742,085	114,397	1,536,295
Total operating expenses	7,593,541	3,362,998	519,200	11,475,739
OPERATING INCOME (LOSS)	818,157	(1,178,662)	(308,750)	(669,255)
NONOPERATING REVENUES:				
Investment income	187,583	-	449	188,032
Loss on disposal of assets	(4,549)	-	-	(4,549)
Total nonoperating revenues	183,034	-	449	183,483
Changes in net position before transfers	1,001,191	(1,178,662)	(308,301)	(485,772)
TRANSFERS :				
Transfers in	27,786	363,513	142,000	533,299
Transfers out	(438,988)	-	-	(438,988)
Total transfers	(411,202)	363,513	142,000	94,311
CHANGES IN NET POSITION	589,989	(815,149)	(166,301)	(391,461)
NET POSITION:				
Beginning of the year	20,249,515	7,407,343	10,459,032	38,115,890
End of the year	\$ 20,839,504	\$ 6,592,194	\$ 10,292,731	\$ 37,724,429

City of Industry
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2018

	Enterprise Funds			Total
	Industry Public Utilities Commission Funds	Civic- Recreational- Industrial Authority Industry Hills- Expo Center Fund	Property and Housing Management Authority Fund	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 15,848,949	\$ 2,340,172	\$ 202,475	\$ 18,391,596
Payments to vendors for supplies and services	(7,277,070)	(2,523,578)	(436,811)	(10,237,459)
Net cash provided by (used in) operating activities	8,571,879	(183,406)	(234,336)	8,154,137
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash received from other funds	750,892	363,513	142,000	1,256,405
Cash paid to other funds	(473,295)	-	(14,758)	(488,053)
Net cash provided by noncapital financing activities	277,597	363,513	127,242	768,352
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(696,633)	(48,879)	(20,148)	(765,660)
Net cash used in capital and related financing activities	(696,633)	(48,879)	(20,148)	(765,660)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(14,581,241)	-	-	(14,581,241)
Proceeds from sales of investments	5,465,957	-	109,669	5,575,626
Interest income received	118,302	-	331	118,633
Net cash provided by (used in) investing activities	(8,996,982)	-	110,000	(8,886,982)
Net increase (decrease) in cash and cash equivalent	(844,139)	131,228	(17,242)	(730,153)
CASH AND CASH EQUIVALENT:				
Beginning of year	1,990,167	124,690	59,525	2,174,382
End of year	<u>\$ 1,146,028</u>	<u>\$ 255,918</u>	<u>\$ 42,283</u>	<u>\$ 1,444,229</u>

City of Industry
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2018

	Enterprise Funds			Total
	Industry Public Utilities Commission Funds	Civic- Recreational- Industrial Authority Industry Hills- Expo Center Fund	Property and Housing Management Authority Fund	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 818,157	\$ (1,178,662)	\$ (308,750)	\$ (669,255)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	679,813	742,085	114,397	1,536,295
(Increase) decrease in accounts receivables	(134,721)	95,558	(475)	(39,638)
(Increase) decrease in inventories	-	(14,373)	-	(14,373)
(Increase) decrease in prepaid items	(247,887)	37,718	-	(210,169)
Increase (decrease) in accounts payable	(115,455)	43,780	(32,008)	(103,683)
Increase (decrease) in accrued liabilities	-	30,210	-	30,210
Increase (decrease) in customer deposits	8,083,915	24,646	(2,700)	8,105,861
Increase (decrease) in unearned revenues	(511,943)	35,632	(4,800)	(481,111)
Net cash provided by (used in) operating activities	\$ 8,571,879	\$ (183,406)	\$ (234,336)	\$ 8,154,137

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 5.4



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: Joshua Nelson, Contract City Engineer, CNC Engineering *JN*

DATE: February 13, 2019

SUBJECT: Update and Discussion Regarding the Demolition and Repair Work to the Kitchen Area at 15702 Nelson Avenue

Background:

Per section 3.52.070 of the City's Municipal Code, public projects of thirty thousand dollars or less may be performed by negotiated contract or by purchase order upon approval of the Executive Director or Public Works Director. A public projects is defined as construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased, or operated facility. It also could include painting or repainting of any publicly owned, leased or operated facility.

On or about December 27, 2018 the tenant at 15702 Nelson Avenue contacted the City's Contract Field Operations Project Manager Philip De Jong regarding their kitchen floor that was seeming to flex or move up and down slightly when they walked across it. The city issued a \$10,000 purchase order on January 22, 2019 to Klinakis Construction for the repairs and work started on Monday, January 28, 2019. By Wednesday January 30, it became more clear what the extent of the damage was in the kitchen. Various sources of moisture were identified. Based on the new findings the additional work beyond the \$10,000 was estimated to be approximately another \$9,600 to make the structural repairs. At this point there were a number of concerns, so we decided it would be best to get a structural engineer involved before we continued with any further work. We put the contractor on hold halfway through the day on January 31st.

Discussion:

We should have a proposal from the structural engineer by the IPHMA meeting on the 13th of February and will also know more what is involved with the repairs at that time. We also have made the determination that a permit will be required from building and safety. It will probably take a couple weeks to get the plans and permit issued. In addition we have determined that this project is a public project as defined in the municipal which gives the Executive Director the authority to approve up to \$30,000 worth of work. So at

this time we don't require additional approvals from the authority but we are available to take any questions or directions from you at this time.

TH/JN:jv

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 5.5

Discussion only, no documents attached

*CITY OF INDUSTRY PROPERTY AND HOUSING
MANAGEMENT AUTHORITY*

ITEM NO. 5.6



INDUSTRY PROPERTY AND HOUSING MANAGEMENT AUTHORITY

MEMORANDUM

TO: Honorable Chair Gorginfar and Members of the Industry Property and Housing Management Authority

FROM: Troy Helling, City Manager *TH*

STAFF: Bing Hyun, Assistant City Manager

DATE: February 13, 2019

SUBJECT: Discussion and direction regarding the establishment of guidelines for the IPHMA's Housing Program

Background & Discussion:

The joint exercise of powers agreement ("JPA") between the City of Industry and Civic-Recreational-Industrial Authority ("CRIA") states the purpose of the Industry Property and Housing Management Authority ("IPHMA"):

- A. City and CRIA each own and manage certain Property within and outside of the City of Industry. Some of this Property provides housing opportunities for City residents, employees and officials.
- B. Ownership and management of this Property by the Members creates potential duplication in management efforts, operations and services.
- C. In order to centralize management of this Property, reduce costs, and increase efficiencies, the Members desire to place certain Property under the management and control of one entity, which the Members intend to create under this Agreement pursuant to the Joint Exercise of Powers Act of the State of California.

As indicated in the JPA, IPHMA's purpose is managing City and CRIA owned residential properties. To establish clear operating procedures, the IPHMA has previously directed preparation of an application, standard rental agreement, and clear policies regarding rent determination and other operational aspects for renting of housing units.

Recently, the California State Controller's Office issued the *City of Industry Review Report Internal Control System January 29, 2016, through April 12, 2018* ("SCO Report"), wherein certain recommendations were provided to IPHMA for improving overall

operations. In response, the California State Controller's Office was advised that the IPHMA "has directed staff to prepare standard applications, lease agreements, and a methodology for rent determinations to comply with best practices. To provide a comprehensive set of policies and procedures, staff is preparing a Request for Qualifications to retain a consultant, with public housing expertise, to advise and assist with standardization of practices, commensurate with a housing objective to be defined by IPHMA and, as the matter relates to land use and development, the City Council. Once these policies and procedures are completed, concerns listed in the Report will be fully resolved."

The purpose of this agenda item is to address both the IPHMA's directive and California State Controller's recommendations. In short, staff is seeking further direction from the IPHMA Board in drafting program guidelines which would include a standard application, general eligibility criteria, and residential rental agreement.

If IPHMA acts to establish the vision of workforce housing, then staff will seek consulting services to further advise on tools and standard practices to ensure successful implementation of this targeted program, as provided in the response to the SCO Report.

Fiscal Impact:

The fiscal impact is unknown at this time.

Recommendation:

Staff seeks direction from the Board.

TH/BH:yp