

## REPORT

DATE ISSUED: September 7, 2007 REPORT NO: HCR 07-80

ATTENTION: Chair and Members of the Housing Commission  
For the Agenda of September 14, 2007

SUBJECT: Adoption of Resolution Authorizing Bank Accounts and Designating Co-signatories

### REQUESTED ACTION:

Adopt a resolution designating titles of authorized bank signers and authorizing establishment of new Housing Commission bank accounts.

### STAFF RECOMMENDATION:

Adopt a resolution designating co-signatories on Housing Commission bank accounts and authorizing staff to open new accounts. This action would update prior authorization for subsequent title changes, add additional signatories and allow for continuity when future title changes take place. This action would also allow management to add accounts under an existing bank contract and/or add new accounts in other banking institutions to accommodate funding source requirements.

### BACKGROUND:

The Housing Commission presently has a contract relationship and maintains bank accounts with US Bank as depository for receipt of funds from HUD and other sources, investment accounts, and other primary accounts. The contract with US Bank expires in June 2008. The Commission also maintains accounts with Washington Mutual, Bank of America, Wells Fargo Bank and the State of California's Local Agency Investment Fund.

On January 19, 2001, the Commission adopted Resolution No. 1078 designating the Chief Executive Officer, together with either the Chief of Staff, or the Director of Operations, or the Controller, or the Budget Manager as co-signatories on bank accounts. This authority applies to the signing of checks, transfers of funds between accounts, and the movement of funds to and from investment accounts. The resolution detailed all existing depositories previously authorized by the Board.

The recommended board action updates the prior Resolution due to title changes and organizational restructuring. It also allows for continuity should future reorganizations or title changes take place.

Commission staff has been proactive in seeking new sources of funding and has recently received an award from the US Department of Health and Human Services that requires establishment of a depository account separate from its primary accounts. Because this new account presents administratively burdensome and highly specialized requirements, US Bank has declined to participate in the program at this time. Staff has subsequently negotiated with Citibank for the administration of these funds through the use of a CitiEscrow Control Account and related Client accounts.

Resolution No. 1078 also detailed existing depository accounts previously approved by board action and authorized the use of facsimile signatures and electronic transfers.

ENVIRONMENTAL REVIEW:  
Not Applicable.

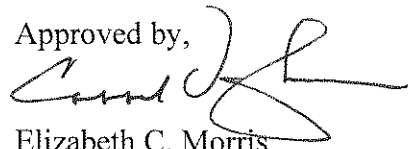
KEY STAKEHOLDERS & PROJECTED IMPACTS:

Key stakeholders include other banking institutions, such as US Bank, that benefit by participating in community reinvestment activities.

Respectfully submitted,

  
John Pfeiffer  
Director of Financial Services

Approved by,

  
Elizabeth C. Morris  
President & Chief Executive Officer

Attachment: Resolution

SAN DIEGO HOUSING COMMISSION

RESOLUTION NO. \_\_\_\_\_

Adopted on: \_\_\_\_\_

WHEREAS, the San Diego Housing Commission is undertaking the planning, development and operation of programs pursuant to the Housing Authorities Law of the State of California; and

WHEREAS, the San Diego Housing Commission may receive financial assistance in the performance of its activities from any public or private source; and

WHEREAS, the San Diego Housing Commission has entered into agreements and contracts related to such programs for which certain monies are received; and

WHEREAS, it is necessary to establish bank accounts to maintain funds related to such programs; and

WHEREAS, the San Diego Housing Commission currently holds and maintains the following bank accounts:

<u>BANK</u>	<u>ACCOUNT</u>
1. US Bank	Unlimited Revolving Fund
2. US Bank	Section 8 Account
3. US Bank	University Canyon North – Operating Receipts Account
4. US Bank	University Canyon North – Security Deposit Account
5. US Bank	Payroll Account
6. State of California	Local Agency Investment Fund
7. Wells Fargo Bank	Rehab Loan Agreement Deposit
8. Washington Mutual	Rehabilitation Account
9. Washington Mutual	Replacement Reserve Account
10. Bank of America	Replacement Reserve and Impound Account

WHEREAS, the San Diego Housing Commission desires to add a bank account to its authorized accounts and designate authority for banking activities:

NOW THEREFORE, BE IT RESOLVED that:

1. The Director of Financial Services/Chief Financial Officer of the San Diego Housing Commission is hereby authorized, instructed and directed to open and

maintain a CitiEscrow Control Account and related Client Accounts with Citibank (“Bank”), a national banking association located at San Diego, California, in the name and for the use of the Commission, and to deposit in said Bank to the credit of the Commission from time to time, moneys related to the Assets for Independence grant program, and until otherwise ordered said Bank be and hereby is authorized to make payment from the funds of the Commission on deposit with it upon and according to the direction of the Commission.

2. The San Diego Housing Commission hereby designates the President and Chief Executive Officer together with either the Executive Vice President and Chief Operating Officer, or the Director of Finance, or the Budget Officer, or the Board Chairperson, or the Board Vice Chairperson as co-signatories with reference to all Commission bank accounts described hereinabove. Authority shall transfer upon subsequent organizational changes to titles of the positions referenced herein.
3. All authorized depositories (“Banks”) of the Commission are hereby requested, authorized and directed to honor checks, drafts and other orders for the payment of money drawn in the Commission’s name, including those drawn to the individual order of any person or persons whose name or names appear thereon as signer or signers thereof, when bearing or purporting to bear the facsimile signatures, whether reproduced manually, mechanically or otherwise, of the signatories designated hereinabove, jointly, and the Banks shall be entitled to honor and to charge the account of the Commission for such checks, drafts or other orders for the payment of money if the facsimile signature, regardless of how or by whom affixed, resembles a specimen facsimile signature provided to and filed with the Banks.
4. The designated signatories are authorized to make withdrawals or transfers of funds from accounts in the name of the Commission, and to transfer funds between such accounts, by any means authorized by the Banks, including (without limitation) use of a negotiable instrument, withdrawal ticket, a credit card, a terminal or other electronic or telephone device, including such as may cause overdrafts.

5. The designated signatories in this Resolution are individually empowered to delegate to appropriate financial staff the authority to perform electronic transfers between Commission accounts, to initiate electronic wires, and to change and revoke such delegations from time to time; the Banks are entitled to rely upon such delegations of authority and to accept instructions from such other persons as being fully authorized by the Commission.
6. Resolution No. 1078 is hereby rescinded.

PASSED AND ADOPTED ON \_\_\_\_\_, with the following vote to wit:

AYES:

NOES:

ABSENT:

BY: \_\_\_\_\_

Deputy Secretary

[SEAL]

APPROVED AS TO FORM:

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Charles Christensen, General Counsel  
Christensen, Schwerdtfeger & Spath, LLP