

Opening the
door to
opportunity



Oakland Housing
Authority

ANNUAL REPORT 2012



WORKING TOGETHER



As the Oakland Housing Authority staff celebrates our 75 year Anniversary, we remain steadfast in our efforts to provide not just housing choice, but meaningful opportunities for our families. It is fitting that in our 75th year, we are serving more families than at any time in our history. In 2012 Harrison Street Senior Housing, Lion Creek Crossings 4 and Keller Plaza opened and construction began at Cathedral Gardens. Three new developments are slated to break ground in 2013 which will result in 387 new units, an all-time high for the OHA development team.

As one of only a select few housing authorities in the country participating in the Department of Urban Development's (HUD) Moving to Work (MTW) Demonstration Program, we are working with our community partners and stakeholders to develop and implement innovative solutions to the persistent issues of access to quality affordable housing, persistent poverty and lack of opportunity in America's very low income neighborhoods. The Oakland Housing Authority was selected among only 39 (out of 3,400 eligible) agencies nationally, to participate in the MTW program, which acts as one of "America's Housing Policy Labs," demonstrating and evaluating new solutions that can be replicated across the entire country.

Our innovative, locally-designed strategies seek to:

1. Reduce costs and achieve greater cost effectiveness in Federal expenditures;
2. Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
3. Increase housing choices for low income families.

The Authority consistently leverages resources by working with and through experienced non-profit service providers and other local government agencies to deliver access to health, education and social services, which benefits our residents and our neighborhoods. We are grateful to our partners for their commitment and work to create thriving communities with real opportunities for the residents we serve. Our ongoing efforts seek to invest in the future of the City of Oakland and OHA, as well as engage our community, improve public safety, increase staff development, and strengthen our business systems and operations, positioning us to better serve our clients, now and for the generations to come.

Gregory Hartwig, Chair

Eric Johnson, Executive Director



OAKLAND HOUSING AUTHORITY MISSION STATEMENT

To assure the availability of quality housing for low-income persons, to promote the civic involvement and economic self-sufficiency of residents, and to further the expansion of affordable housing within Oakland.

Oakland Housing Authority is the largest provider of affordable housing in Oakland and proudly delivers diverse housing choices to over 15,000 households in a service-oriented environment, while improving and expanding the housing options for future generations.



Tassafaronga Village, a the largest affordable housing development in California to achieve Platinum in the LEED for Homes Program.

Photo by Brian Rose

Opening the Door to Opportunity

Oakland Housing Authority (OHA) creates opportunity for our residents, staff and community partners through our programs, partnerships, administrative expertise and real estate development activity. By working one-on-one with residents to help them identify and prepare for employment, we improve short- and long-term job prospects and thus increase family self-sufficiency. OHA leverages resources by working with and through non-profit service providers to deliver access to health, education and social services, which help residents become more secure and prepared for enduring success. Our accomplishments streamlining our operations, improving staff competencies and strengthening our information technology infrastructure position us to better serve our clients and warrant our ability to operate seamlessly, even after a crisis. By strategically managing our housing portfolio and real estate holdings we add to the total number of available housing units for current and future residents.



Opportunities to Grow

IN FY2012, OHA ADDED 145 UNITS TO OUR HOUSING PORTFOLIO helping the City of Oakland meet the unyielding demand for affordable housing. These homes are the result of years of careful planning that culminated in additional developments that house seniors, families and individuals with special needs. The opportunity afforded the residents of these new units means that they can become more economically self-sufficient and better provide for themselves and their families.

Lion Creek Crossings Phase 4 (LCC4) is the last of seven “mixed financed” (HUD funds and private investment) development projects funded by the last of three HUD HOPE VI grants. In partnership with EBALDC and The Related Companies, construction and lease up of LCC4, a 72-unit affordable family rental apartment building, was completed in February, 2012. This is the fourth of five phases of a transit oriented development on acquired land adjacent to the Coliseum Bay Area Rapid Transit (BART) station parking lot. LCC4 is OHA's final HOPE VI funded development.

Harrison Street Senior Housing is a 73-unit affordable senior rental housing development, built in downtown Oakland through a partnership of Christian Church Homes (CCH) and Oakland Housing Initiatives, Inc. (OHI), an uncontrolled affiliate of OHA. HSSH is the first “mixed finance” senior development for which OHA served a critical role in completing as both a lender and owner of the land. The HSSH development includes 61 HUD 202 PRAC units and 11 OHA Section 8 PBVs. The lease up was completed in 2012.

Opportunities to Expand

PURCHASING LAND FOR FUTURE DEVELOPMENT enables OHA to take advantage of tremendous cost savings and be better positioned to customize and prioritize housing developments in communities where need is most dire and other options may not exist. OHA has two projects totaling 201 units of housing currently under construction at The Savoy and Cathedral Gardens*, with another three slated to break ground in 2013: Lakeside Senior Housing (91 Units), 460 Grand (68 units), and Lion Creek Crossings Phase 5 (128 Units). Each of these developments represents both new affordable housing, many enriched with services, as well as construction and non-construction employment opportunities for Oakland.

Opportunities for Independence

HAVING A STABLE HOME ENVIRONMENT gives families the security and stability needed to build strong families. In addition to space for children to do homework and play in a safe environment, OHA offers an array of services designed to increase educational attainment, individual earning potential and, as a result, the long-term economic viability of the entire family. The Homeownership Program teaches participants financial literacy and establishes escrow accounts to be used for the purchase of homes, investment in education, or the formation of new business ventures. With greater financial independence, all members of the family then have more flexibility to pursue personal interests, many of which transcend avocation to become future vocations.

With programs reaching family members at all ages and stages, 181 Section 8 and Public Housing residents enrolled in the OHA Self-Sufficiency programs. Eighty one (81) opened escrow accounts with one notably graduating with \$33,250 in savings, the highest disbursement ever to an OHA family. One hundred seventeen (117) OHA residents enrolled into at least one of the 11 career development/training programs, resulting in a graduation rate of 80%. Of those participating in OHA-sponsored employment preparation services, 14 were hired for construction projects qualifying as Section 3 candidates; 26 were hired through Section 3 service contracts; nine (9) were hired directly for full-time employment with OHA; and another 20 were prepared for and received gainful employment outside of OHA.



Opportunities to Learn

THE AUTHORITY'S COMMITMENT TO YOUTH underscores our commitment to the City. A strong partnership with Oakland Unified School District (OUSD), including a data sharing MOU that has evolved into programs that focus on chronic absenteeism and parent engagement, the Authority has begun groundbreaking work in the links between those low-income households we serve and the students OUSD educates. OHA gives students and parents the chance to become actively involved in creating Full Service Community Schools where every school acts as a resource and service hub that connects with local partners to help build healthy and vibrant schools and communities. The Oakland Housing Authority is opening doors of opportunity for residents of all ages to learn, grow and achieve. Our residents are working hard at summer jobs and learning useful skills, earning money and developing a strong work ethic. Many are also becoming more computer literate using state of the art technology and social media by accessing our computer labs and training. Additionally, our youth and young adults are exposed to environments outside their own neighborhoods while building positive relationships with peers, authority figures, mentors and the police. All these opportunities are having a positive effect on our families and their neighborhoods.

Opportunities to Explore

FOR SCHOOL-AGED CHILDREN, OHA DISTRIBUTED 430 BACKPACKS WITH SCHOOL SUPPLIES, increasing the likelihood of success in the new school year. Students participated in summer programs and attended Camp Mendocino, a residential summer camp in the California coastal redwood area. Additionally, college-bound students were afforded the opportunity to view campuses more closely by taking advantage of the Spring Break College Tours and apply for college scholarships. Many families also benefited from programs like Oakland Zoo Lights and the Mayor's Toy Give-a-Way, which help to make children feel special year-round, but especially during the holidays. Overall, the shift toward expanding the experiences of traditionally underexposed children broadens their knowledge of the opportunities available and gives them the freedom to set goals that were previously inconceivable.

Opportunities to Improve

WITH THOUSANDS OF ADMINISTRATIVE TRANSACTIONS CONDUCTED IN A GIVEN MONTH, OHA invested in securitizing the agency's infrastructure by establishing a remote site for data backup. This action gives reassurance of our business continuity to our residents, Section 8 property owners, vendors and other stakeholders in the event of a natural or man-made disaster. With all critical data stored remotely, updated in real time, and readily accessible should the need arise, OHA has minimized the risk of not being able to conduct business at all times.

At the core of all our business activities are our customers. The Authority serves residents of Oakland, property owners, community organizations, other government agencies, local businesses and our staff. Whether external or internal, we remain deeply committed to improving all aspects of our operations, and seek to provide consistent high quality and professional service in all our endeavors. This year we raised the bar on our property management operation by standardizing the unit rehab design and methodology. By progressing from the basic design of now obsolete public housing to today's more modern and functional model, we are bridging the divide of form and function.

Historically, public housing lacked the practical features that would make units competitive in the broader housing market. We are now reinvesting in former public housing properties through comprehensive unit upgrades and property restoration throughout Oakland. With significant investments, we are upgrading several hundred units annually by reconfiguring homes to include larger family living spaces for homework and studying, or by providing improved outdoor spaces that enable greater physical activity. We continue to create housing that meets the changing needs of our families, preserves the property for future generations and becomes an asset to the entire neighborhood.



Opportunities to Thrive

OHA's FAMILY AND COMMUNITY PARTNERSHIPS, PROPERTY MANAGEMENT AND POLICE departments collaborate to bring an array of neighborhood-enhancing and youth-development services to our residents. Throughout the year we host and facilitate block parties, health fairs, leadership training, fathers' groups, parent/school workshops, support groups, farmers markets and more. Designed to complement our quality housing and self-sufficiency programs, these social programs ultimately lead to a more comprehensive housing environment that gives everyone better access to the tools that lead to long-term prosperity. With a goal of creating thriving residents in supportive and safe communities, OHA is helping all members of each household affect the change that will improve their own lives and effect change in their schools and communities for generations to come.



*Cathedral Gardens broke ground in 2012 and is on schedule to open in 2014.

Financials

CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET ASSETS - AUDITED

FOR YEAR ENDED JUNE 30, 2012

	<u>PROGRAMS</u>	<u>CAHI</u>	<u>TOTAL</u>
OPERATING REVENUE			
Tenant Revenue	\$17,421,496	\$ -	\$17,421,496
HUD PHA Grants	210,976,586	\$394,023,382	\$604,999,968
Investment and Other Income	3,175,205	5,998	\$3,181,203
Total Operating Revenue	<u>231,573,287</u>	<u>394,029,380</u>	<u>625,602,667</u>
OPERATING EXPENSE			
Administration	32,220,118	\$11,525,435	\$43,745,553
Tenant Services	2,204,786	-	\$2,204,786
Utilities	2,516,655	-	\$2,516,655
Maintenance and Contracts	26,561,563	-	\$26,561,563
Police Services	5,853,136	-	\$5,853,136
Housing Assistance Payments	149,735,491	\$378,963,679	\$528,699,170
Insurance and General	5,093,588	549,012	\$5,642,600
Non-Routine Expenses	123,263	-	\$123,263
Depreciation	12,158,062	-	\$12,158,062
Total Operating Expenses	<u>236,466,662</u>	<u>391,038,126</u>	<u>627,504,788</u>
Net Operating Surplus/(Deficit)	<u>(4,893,375)</u>	<u>2,991,254</u>	<u>(1,902,121)</u>
NON-OPERATING REVENUES / (EXPENSES)			
Interest Expense	-	-	\$ -
Other Income	11,604,680	-	\$11,604,680
Gain/Loss from Disposition of Assets	20,029,830	-	\$20,029,830
Total Non-Operating Revenues / (Expenses)	31,634,510	-	31,634,510
Income (Loss) before Capital Contributions	<u>26,741,135</u>	<u>2,991,254</u>	<u>29,732,389</u>
Capital Contributions	5,282,525	-	\$5,282,525
Change in Net Assets	<u>32,023,660</u>	<u>2,991,254</u>	<u>35,014,914</u>





Harrison Street Senior Housing is a 73-unit one- and two-bedroom apartment building for seniors.



EXECUTIVE TEAM

Eric Johnson, Executive Director
 Patricia Ison, Deputy Executive Director of Property Operations
 Philip Neville, Deputy Executive Director of Real Estate Development
 Janet Rice, Deputy Executive Director of Finance & Program Administration

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Scan code to access the online version of the 2012 OHA Annual Report.

For more information about the Oakland Housing Authority, please contact the Customer Assistance Center at 510.874.1653, info@oakha.org, or visit our website at www.oakha.org.

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