



***MAKING TRANSITIONS WORK***

**ANNUAL REPORT  
FY 2007**

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# INTRODUCTION

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The Oakland Housing Authority (OHA) is releasing its fiscal year 2007 annual report, as required by the U.S. Department of Housing and Urban Development (HUD). OHA is one of the 24 participants in HUD's Moving to Work (MTW) program, a federal demonstration program providing housing authorities nationwide the opportunity to explore and test new and innovative methods of delivering housing and supportive services to low-income residents. OHA has tailored its program to the needs of the City of Oakland, and renamed the program "Making Transition Work."

This report includes information on both OHA's regular operations and activities authorized by the MTW agreement executed between OHA and HUD on March 31, 2004. The report is intended to provide HUD and others with the information necessary to compare OHA's performance over the last year to the agenda OHA set for itself at the beginning of the year in its FY 2007 Annual Plan. It is a look back on the passing fiscal year.

The 2007 annual plan described OHA's operations and clientele, and set out a comprehensive framework to guide and govern the Authority during its third year participating in MTW. The plan is posted on OHA's website at [www.oakha.org/mtw/mtw.html](http://www.oakha.org/mtw/mtw.html)

In describing FY 2007, this report presents specific data called for in the MTW agreement and reviews existing and newly adopted policy developed to govern OHA's programs. The report is intended to provide OHA residents, the public and HUD with baseline information on existing OHA programs and an analysis of changes that occurred to these programs during the fiscal year ending June 30, 2007. The report also presents information on the adopted OHA Budget from FY 2007 for the period of July 1, 2006 through June 30, 2007.

FY 2007 was an important year for OHA's participation in MTW. The Authority began to use the benefits of the program's flexibility and independence to better maintain OHA's physical assets, streamline its programs and explore opportunities for innovation, all while continuing to assist more than 14,000 low income Oakland families.

OHA's most significant outcome related to MTW in FY 2007 was its achievement of a Section 8 Housing Choice Voucher utilization rate for the year of 100.3 percent. Using the flexibility of MTW the Authority provided housing assistance to an average of more than 240 low income families than may not have been served (at a 98 percent utilization rate) if OHA did not have the flexibility associated with the MTW program .

Please note that data reported for public housing programs for FY 2007 includes HOPE VI data, although not all HOPE VI developments tracked similar data. This explains the discrepancies in total figures.

# SECTION I:

## HOUSEHOLDS SERVED

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### CHANGES IN TENANT CHARACTERISTICS NARRATIVE DISCUSSION/EXPLANATION OF DIFFERENCES TO THE NUMBER OF HOUSEHOLDS SERVED

OHA's FY 2007 annual plan described the number of clients OHA was serving at the beginning of the fiscal year by family type, housing unit size, income group, and race. The annual plan also reported the number of clients that were being served by each of the Authority's programs.

The following recaps the information reported in the 2006 annual report, and compares it to the number of clients being served at the end of Fiscal Year 2007.

Both the public housing and Section 8 programs participant numbers increased during the year, but with little effect on the program participant's demographics.

#### UNIT SIZE

##### Number of Households by Unit/Subsidy Size and Program

OHA's public housing and leased housing programs are among the nation's largest, serving more than 14,000 low income households. The Authority houses more than 9 percent of the City of Oakland, and more than 20 percent of Oakland's low-income residents.<sup>1</sup> The public housing program has been authorized to administer up to 3,308 units, while the three programs that make up the leased housing program may issue 11,528 rental assistance vouchers.

The Housing Choice Voucher (HCV) program experienced a significant shift downward in the subsidy amounts assigned to its vouchers. Fewer households received subsidies equivalent to three, four, and five bedrooms, while more families were assigned subsidies equivalent to one and two bedrooms. This change was in direct response to OHA adopting a new policy where families were no longer assigned additional subsidy to separately house opposite sex children. The subsidy size profile change during FY 2007 was most evident in the number of three bedroom families that declined and number of households with two bedroom subsidies that increased.

For all of OHA's programs combined, the actual number of units available for service in FY 2007 was 14,372.

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<sup>1</sup> Source: 2000 CHAS Data Set, U.S. Dept. of Housing and Urban Development.

<b>ALL PROGRAMS</b>	<b>Total</b>
Annual Report 6/30/06	<b>12,660</b>
Annual Report 06/30/07	<b>14,372</b>

## Public Housing

The FY 2007 annual plan predicted an increase in the number of public housing households served in FY 2007, and indeed, an additional 225 families received housing assistance in FY 2007.

<b>PUBLIC HOUSING</b>	<b>Total</b>
Annual Report 6/30/06	<b>2,850</b>
Annual Report 6/30/07	<b>2,904</b>

## Section 8

OHA also saw the utilization rate of Section 8 vouchers increase in FY 2007. The fiscal year began with 10,279 (96.1 percent) vouchers in use as a baseline of 10,699 in June 2006, and ended with 10,974 (101.8 percent) of a revised baseline of 10,783 vouchers in use. The annual voucher utilization rate at the end of FY 06 year was 92.7 percent, and increased to 100.3 percent annual utilization rate at the end of FY 2007. With the addition of all other voucher programs, including Mod Rehab, Mainstream, and Family Unification Programs, the total number of vouchers in use at the end of FY 2007 was 11,468.

<b>Section 8</b>	<b>Total</b>
Annual Report 6/30/06	<b>9,810</b>
Annual Report 6/30/07	<b>11,468</b>

The FY 2007 annual plan had projected a 97 to 100 percent utilization rate throughout the year. The Authority worked aggressively to achieve 100 percent utilization in FY 2007 and had exceeded 100 percent of lease up by the end of FY 2007. As an MTW housing authority, OHA is able to issue more vouchers than it is under contract with HUD to provide.

Responding to 92.7 percent utilization in FY 2006, the Authority increased the volume of new vouchers issued. Between 200 and 400 voucher per month were issued throughout the calendar year 2006. The Section 8 wait list had been reopened in February 2006 which refreshed the list and improved family success rates in finding suitable units in Oakland.

## FAMILY TYPE

### Population by Family Type and Program (Data not available for Lion Creek Crossings)

The distribution of families by type varied slightly during FY 2007. The total number of households OHA served increased by nearly 1000 families, however the distribution by family type remained relatively proportionate.

<b>ALL PROGRAMS</b>	<b>Elderly</b>	<b>Disabled</b>	<b>Family</b>	<b>Missing data</b>	<b>Total</b>
Annual Report 6/30/06	2,529 (18.7%)	2,900 (21.5%)	8,090 (59.8%)		<b>13,519</b>
Annual Report 6/30/07	2,705 (18.8%)	3,151 (21.9%)	8,472 (58.9%)	44 (0.3%)	<b>14,372</b>
<b>Change in %</b>	<b>0.1%</b>	<b>0.4%</b>	<b>-0.9%</b>		

<b>PUBLIC HOUSING</b>	<b>Elderly</b>	<b>Disabled</b>	<b>Family</b>		<b>Total</b>
Annual Report 6/30/06	692 (24.2%)	406 (14.2%)	1,752 (61.4%)		<b>2,850</b>
Annual Report 6/30/07	692 (19.2%)	420 (16.4%)	1,748 (64.3%)	44 (1.5%)	<b>2,904</b>
<b>Change in %</b>	<b>-5%</b>	<b>2.2%</b>	<b>2.9%</b>		

<b>SECTION 8 - ALL</b>	<b>Elderly</b>	<b>Disabled</b>	<b>Family</b>		<b>Total</b>
Annual Report 6/30/06	1,837 (17.2%)	2,494 (23.3%)	6,338 (59.4%)		<b>10,669</b>
Annual Report 6/30/07	2,013 (17.2%)	2,731 (23.4%)	6,724 (58.6%)		<b>11,468</b>
<b>Change in %</b>	<b>0%</b>	<b>0.1%</b>	<b>-0.8%</b>		

(To avoid counting a person in more than one category, family type data is being reported ordinally. The sequential order starts with elderly, then disabled and then family. Thus, if a person is counted as elderly, he/she will not be counted as disabled.)

## INCOME GROUP

### Number of Households by Program and Median Income

The Authority continues to almost exclusively assist extremely low income families. Households earning less than 30 percent of the Area Median Income (AMI) made up almost 80 percent of the Authority's clientele, which is the equivalent of less than \$23,000 per year for a family of three. The remaining 20 percent of households earned less than 80 percent of AMI.

ALL PROGRAMS	Percentage of Median Income				Total
	< 30%	30%-50%	50%-80%	>80%	
Annual Report 6/30/06	10,936 (81.1%)	1,991 (14.7%)	554 (0.4%)	36 (0.2%)	13,517
Annual Report 6/30/07	9,780 (68%)	3,467 (24.1%)	1,063 (7.3%)	62 (0.4%)	14,372
<b>Change in %</b>	<b>-13.1%</b>	<b>9.4%</b>	<b>6.9%</b>	<b>0.2%</b>	

PUBLIC HOUSING	Percentage of Median Income				Total
	< 30%	30%-50%	50%-80%	>80%	
Annual Report 6/30/06	2,235 (78.9%)	467 (16.4%)	130 (4.5%)	19 (0.6%)	2,851
Annual Report 6/30/07	588 (20.2%)	1,687 (58%)	593 (20.4%)	36 (1.2%)	2,904
<b>Change in %</b>	<b>-58.7%</b>	<b>41.6%</b>	<b>15.9%</b>	<b>0.6%</b>	

SECTION 8	Percentage of Median Income				Total
	< 30%	30%-50%	50%-80%	>80%	
Annual Report 6/30/06	8,701 (81.7%)	1,524 (14.3%)	424 (3.9%)	17 (0.1%)	10,666
Annual Report 6/30/07	9,192 (80.1%)	1,780 (15.3%)	470 (4.0%)	26 (0.2%)	11,468
<b>Change in %</b>	<b>-1.6%</b>	<b>1%</b>	<b>0.1%</b>	<b>0.1%</b>	

## RACE & ETHNICITY

The Census Bureau's American Community Survey (ACS) reported a steady rise in Oakland's Asian, Hispanic and Pacific Islander populations, while the city's white and black populations continue to fall.

In Fiscal Year 2007 the Authority saw just a modest increase in the number of white and black clients served, while a more significant increase was observed in the number of Asian families accepted into programs. OHA's Hispanic population also showed a modest increase.

## Race of Head of Household

The following tables show how the distribution of families by race varied during FY 2007.

ALL PROGRAMS	White	Black	Native American	Asian	Pacific Islander	Other	Total
Annual Report 6/30/06	774 (5.7%)	10,247 (75.7%)	67 (0.4%)	2,425 (17.9%)	6 (0.04%)		13,519
Annual Report 6/30/07	792 (5.5%)	10,741 (74.7%)	57 (0.3%)	2,762 (19.2%)	11 (0.07%)	9	14,372
<b>Change in %</b>	<b>-0.2%</b>	<b>-1%</b>	<b>-0.1%</b>	<b>1.3%</b>	<b>0.03%</b>	<b>0.06%</b>	

PUBLIC HOUSING	White	Black	Native American	Asian	Pacific Islander	Other	Total
Annual Report 6/30/06	152 (5.3%)	2,226 (78.1%)	5 (0.1%)	465 (16.3%)	2 (0.07%)		2,850
Annual Report 6/30/07	147 (5%)	2,243 (77.2%)	5 (0.1%)	497 (17.1%)	3 (0.1%)	9	2,904
<b>Change in %</b>	<b>-0.3%</b>	<b>-0.9%</b>	<b>0%</b>	<b>0.8%</b>	<b>-0.03%</b>	<b>0.3%</b>	

SECTION 8 - ALL	White	Black	Native American	Asian	Pacific Islander	Other	Total
Annual Report 6/30/06	622 (5.8%)	8,021 (75.1%)	62 (0.5%)	1,960 (18.3%)	4 (0.03%)		10,669
Annual Report 6/30/07	645 (5.6%)	8,498 (74.1%)	52 (0.4%)	2,265 (19.7%)	8 (0.06%)		11,468
<b>Change in %</b>	<b>-0.2%</b>	<b>-1%</b>	<b>-0.1%</b>	<b>1.4%</b>	<b>0.03%</b>		

## Ethnicity of Head of Household

PUBLIC HOUSING	Hispanic	Non-Hispanic	Total
Annual Report 6/30/06	99 (3.4%)	2,751 (96.6%)	2,850
Annual Report 6/30/07	109 (3.7%)	2,795 (96.2%)	2,904
<b>Change in %</b>	<b>0.3%</b>	<b>-0.4%</b>	

SECTION 8	Hispanic	Non-Hispanic	Total
Annual Report 6/30/06	280 (2.6%)	10,389 (97.4%)	10,669
Annual Report 6/30/07	316 (2.7%)	11,152 (97.3%)	11,468
<b>Change in %</b>	<b>0.1%</b>	<b>-0.1%</b>	

ALL PROGRAMS	Hispanic	Non-Hispanic	Total
Annual Report 6/30/06	379 (2.8%)	13,140 (97.2%)	13,519
Annual Report 6/30/07	425 (2.9%)	13,947 (97%)	14,372
<b>Change in %</b>	<b>0.1%</b>	<b>-0.2%</b>	

## WAIT LISTS

The demand for affordable housing in the City of Oakland far outpaces the supply of available rental and homeownership opportunities. Thus, OHA has little difficulty finding applicants to its programs. And in response to such high demand, limited supply and full participation, OHA has created a wait list to manage applications.

The following charts report the number of applicants currently awaiting assistance by family type, size, race and ethnicity. The information is reported in accordance with OHA and HUD's MTW Agreement. Yet because OHA's wait lists are only open for brief periods once every few years and then slowly depleted, the number of families on the list has little relationship to the current demand for subsidized housing in Oakland.

It is important to note that there were no changes to OHA policy, operations or procedure governing wait lists during the course of the year.

### CHANGES IN WAIT LIST NUMBERS AND CHARACTERISTICS

#### WAIT LISTS AND PROGRAM APPLICANTS BY NUMBER OF MEMBERS IN HOUSEHOLD

In December 2006, OHA opened the public housing waiting list for families with two to six members. More than 8000 applications were received. 5,000 were chosen by lottery to be placed on the waiting list. The number of persons in each of the households on the OHA public housing waiting list was as follows on June 30, 2007:

Public Housing	1	2	3	4	5	6+	Missing	Total
Annual Report 6/30/06	1,015	2,584	284	547	273	17	40	4,760
Annual Report 6/30/07	2,345	3,282	1,847	1,235	456	153	0	9,772

The Section 8 program opened its wait list in February 2006, as the existing wait list neared exhaustion. A two-week open enrollment period was held, public announcements, meetings, print and radio advertisements, and direct mailings were used to promote the opening and distribute applications. The Authority partnered with more than 60 community and non profit groups, the City of Oakland and its network of libraries to recruit low-income families to apply.

More than 42,000 valid applications were submitted, including more than 19,000 on line applications through the Authority's Web site. An astounding 30 percent<sup>2</sup> of the families that live or work in Oakland and qualify for the program responded to the outreach campaign and submitted applications.

To avoid long waiting times and false expectations for new applicants, a lottery was held among this year's applicant families to create a list that OHA could reasonably expect to serve in the next two years. The Authority estimated that number to be 10,000 new families, and hired an independent consultant to collect the applications and randomly select the applicants.

OHA then identified a pool of applicants from the 2001 Section 8 application period that had yet to be served. To rectify this oversight, the Authority ensured they remained at the beginning of the wait list in priority order. So, at the beginning of the fiscal year, the Section 8 wait list had 11,356

<sup>2</sup> Source: 2000 CHAS Data Set, U.S. Dept. of Housing and Urban Development

applicants. More than 2,600 families have since been pulled from the wait list between December 2005 and March 2007, and Section 8 utilization exceeded 100% in early 2007. There are 8,845 families remaining on the current Section 8 wait list, and no new vouchers have been issued since April 2007. The Authority will resume issuing vouchers at the beginning of the next fiscal year to fill any vacancies and will continue to maintain the utilization rate at 97 to 100 percent.

<b>Section 8 bedroom size</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6+</b>	<b>Total</b>
Annual Report 6/30/06	4,735	2,668	1,688	951	534	69	10,645
Annual Report 6/30/07	4,750	1,901	1,179	664	212	139	8,845

**WAIT LIST AND PROGRAM APPLICANTS BY FAMILY TYPE (DATA NOT AVAILABLE FOR LION CREEK CROSSINGS AND Foothill Family Apartments)**

<b>PUBLIC HOUSING</b>	<b>Elderly</b>	<b>Disabled</b>	<b>Family</b>	<b>Missing data</b>	<b>Total</b>
Annual Report 6/30/06	423 (8.8%)	344 (7.2%)	3,993 (83.8%)		4,760
Annual Report 6/30/07	1,299 (17.2%)	282 (3.7%)	5,971 (62.9%)	2,220 (22.7%)	9,772
<b>Change in %</b>	<b>8.4%</b>	<b>-3.5%</b>	<b>-20.9%</b>		

<b>SECTION 8 - ALL</b>	<b>Elderly</b>	<b>Disabled</b>	<b>Family</b>	<b>Missing Data</b>	<b>Total</b>
Annual Report 6/30/06	325 (3.0%)	2,465 (23.0%)	7,855 (73.7%)		10,645
Annual Report 6/30/07	1,141 (23.1%)	1,906 (23.1%)	5,185 (62.9%)	613 (6.9%)	8,845
<b>Change in %</b>	<b>20.1%</b>	<b>0.1%</b>	<b>-10.9%</b>		

**WAIT LIST AND PROGRAM APPLICANTS BY INCOME (DATA NOT AVAILABLE FOR FOOTHILL FAMILY APARTMENTS)**

ALL PROGRAMS	Percentage of Median Income				Total
	< 30%	30%-50%	50%-80%		
Annual Report 6/30/06	12,248 (92.3%)	730 (5.5%)	286 (2.1%)		13,264
Annual Report 6/20/07	10,904 (60%)	5,263 (28.9%)	1,958 (10.7%)		18,155
<b>Change in %</b>	<b>-32.3%</b>	<b>23.4%</b>	<b>8.6%</b>		

PUBLIC HOUSING	Percentage of Median Income				Total
	< 30%	30%-50%	50%-80%	Missing data	
Annual Report 6/30/06	3,327 (70.2%)	982 (20.7%)	425 (8.9%)	26	4,760
Annual Report 6/30/07	3,119 (33.5%)	4,446 (47.8%)	1,715 (18.4%)	492	9,772
<b>Change in %</b>	<b>-36.7%</b>	<b>-27.1%</b>	<b>-9.5%</b>		

SECTION 8	Percentage of Median Income				Total
	< 30%	30%-50%	50%-80%	Missing data	
Annual Report 6/30/06	10,109 (94.9%)	533 (5.0%)	2 (0.01%)	1	10,645
Annual Report 6/30/07	7,785 (88%)	817 (9.2%)	243 (2.7%)		8,845
<b>Change in %</b>	<b>-6.9%</b>	<b>4.2%</b>	<b>2.6%</b>		

**WAIT LIST AND PROGRAM APPLICANTS BY RACE & ETHNICITY (DATA NOT AVAILABLE FOR LION CREEK CROSSINGS)**

ALL PROGRAMS	White	Black	Native American	Asian	Pacific Islander	Missing data	Total
Annual Report 6/30/06	1,595 (10.4%)	10,789 (70.8%)	90 (0.5%)	2,671 (17.5%)	86 (0.5%)		15,231
Annual Report 6/30/07	1,839 (11.5%)	10,692 (67.2%)	142 (0.8%)	3,091 (19.4%)	144 (0.9%)		18,617
<b>Change in %</b>	<b>1.1%</b>	<b>-3.6%</b>	<b>0.3%</b>	<b>1.9%</b>	<b>0.4%</b>		

PUBLIC HOUSING	White	Black	Native American	Asian	Pacific Islander	Missing data	Total
Annual Report 6/30/06	318 (6.6%)	3,250 (68.2%)	2 (0.04%)	1,188 (24.9%)	2 (0.04%)		4,760
Annual Report 6/30/07	613 (8.6%)	4,336 (61.3%)	84 (1.1%)	1,965 (27.8%)	65 (0.9%)	2,709	9,772
<b>Change in %</b>	<b>2%</b>	<b>-6.9%</b>	<b>1%</b>	<b>2.9%</b>	<b>0.8%</b>		

SECTION 8 - ALL	White	Black	Native American	Asian	Pacific Islander	Missing data	Total
Annual Report 6/30/06	1,277 (12.1%)	7,539 (71.9%)	88 (0.8%)	1,483 (14.1%)	84 (0.8%)		10,471
Annual Report 6/30/07	1,226 (13.8%)	6,356 (71.8%)	58 (0.6%)	1,126 (12.7%)	79 (0.8%)		8,845
<b>Change in %</b>	<b>1.7%</b>	<b>-0.1%</b>	<b>-0.2%</b>	<b>-1.4%</b>	<b>0%</b>		

PUBLIC HOUSING				
	Hispanic	Non-Hispanic	Missing data	Total
Annual Report 6/30/06	117 (2.4%)	4,643 (97.6%)		4,760
Annual Report 6/30/07	404 (5.7%)	6,659 (94.2%)	2,709	9,772
<b>Change in %</b>	<b>3.3%</b>	<b>-3.4%</b>		
SECTION 8				
	Hispanic	Non-Hispanic	Missing data	Total
Annual Report 6/30/06	571 (5.4%)	9,900 (94.6%)		10,471
Annual Report 6/30/07	624 (7%)	8,221 (92.9%)		8,845
<b>Change in %</b>	<b>1.6%</b>	<b>-1.7%</b>		
ALL PROGRAMS	Hispanic	Non-Hispanic	Missing data	Total
Annual Report 6/30/06	688 (4.5%)	14,543 (95.5%)		15,231
Annual Report 6/30/07	1028 (6.4%)	14,880 (93.5%)	2,709	15,908
<b>Change in %</b>	<b>1.9%</b>	<b>-2%</b>		

# SECTION II:

## OCCUPANCY POLICIES

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### CHANGES IN CONCENTRATION OF LOWER-INCOME FAMILIES, BY PROGRAM

### CHANGES IN RENT POLICY

### NARRATIVE DISCUSSION/EXPLANATION OF CHANGE

The FY 2007 annual plan anticipated OHA reviewing, examining and potentially changing a number of occupancy and rent policies during the year, including those that govern eligibility, selection, admissions, assignment and occupancy of families, and admissions for the deconcentration of lower-income families. A number of the expected policy changes were adopted in FY 2007 and the Authority also began to develop a major policy initiative to simplify its rent-setting policies.

#### Deconcentration

The Authority has not altered its policies or practices to effect a change in the concentration of lower-income families.

#### Rent Policy

The Authority made several changes to its rent policy, which was in various states of implementation by the end of the fiscal year.

##### Mod Rehab Income Verification

The Authority adopted a policy to allow a select group of Moderate Rehabilitation (Mod Rehab) owners to calculate and verify tenant incomes in lieu of OHA conducting its own income calculations and verifications. Once implemented, this policy will be in effect only for those owners who are required to conduct income calculations and verifications by another non-OHA program.

The Authority is required to conduct income verification for families coming off the wait list (and annually thereafter) even if the Mod Rehab owner/manager is also verifying tenants' income to qualify for other non-OHA program. The new policy is intended to eliminate this redundancy and allow both owners and families to realize a faster lease-up. A percentage of verifications completed by the Mod Rehab owners/managers will be audited to ensure compliance with HUD and Authority regulations.

##### Initial Income Verification

Because of a newly implemented policy, income verifications for public housing and Section 8 applicants are now valid for 120-days before initial housing assignment or voucher issuance.

The time allowed for verifying income must be long enough for staff to contact many outside employers and agencies, yet short enough to moderate the number of clients whose incomes change significantly between verification and the issuing of a housing subsidy. The previous 60-day limit policy had proven too short to ensure initial program eligibility. The 120-day limit was adopted and implemented to strike a balance between the need to ensure up-to-date income verification and the desire to grant staff more control over their workflow.

#### Income Re-examinations for Elderly and Disabled Clients on Fixed Incomes

OHA adopted a new policy to conduct income re-examinations every three years for elderly and disabled clients on fixed incomes in the Public Housing and Section 8 programs. In the years between examinations, an automatic adjustment will be applied to these clients' housing payment equal to any cost of living adjustments made to their income subsidy program. Previously, OHA conducted re-examinations every year for these clients. The policy's implementation was underway at the end of FY 2007, as OHA's systems and work flow models were being tested.

The Authority expects the new policy will affect more than 2,500 elderly and disabled families on fixed incomes. This represents approximately 20 percent of OHA's clients. The change should save these clients the time and effort necessary for annual re-examinations. It will also benefit Authority clients by freeing staff time for other property management and HQS activities.

# SECTION III: CHANGES IN THE HOUSING STOCK

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## NUMBER OF UNITS IN INVENTORY BY PROGRAM NARRATIVE DISCUSSION/EXPLANATION OF DIFFERENCE

The Oakland Housing Authority administers 3,308 units of public housing within the City of Oakland. This includes four large developments for families, five sites specifically designated for seniors, five mixed-income (HOPE VI) sites, and 254 small sites scattered throughout the city's residential neighborhoods.

OHA also operates three leased housing programs that administer more than 11,500 vouchers for low income residents to use in renting units from the private market. The programs are Housing Choice Vouchers, Moderate Rehabilitation and Project Based Certificates. The FY 2007 annual plan predicted all three programs would maintain the same number of units in their inventory throughout the year.

### PROJECTED VS ACTUAL

Type of unit	HCV	Certs.	Mod Rehab	Public Housing	Total
Annual Report (6/06)	10,878	54	516	3,116	14,560
Annual Report (6/07)	10,958	*	516	3,075	14,550

The FY 2007 annual plan anticipated the number of available public housing units to grow from 3,164 to 3,218 during the year, including 54 units of newly rebuilt housing at Lion Creek Crossings Phase II (formerly known as Coliseum Gardens.)

At the end of fiscal year 2007, the number of available units in OHA's public housing inventory had dropped slightly from an actual on June 30, 2006 of 3,116 to 3,075. The units at Lion Creek Crossings Phase II had not yet been returned to service.

OHA's Leased Housing program also met its expectations by bringing Section 8 utilization back up to 100 percent in FY 2007. OHA's portfolio of rental vouchers grew by 84 "opt-out" vouchers.

# SECTION IV:

## SOURCES AND AMOUNTS OF FUNDING

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### PLANNED VS ACTUAL FUNDING AMOUNTS NARRATIVE DISCUSSION/EXPLANATION OF DIFFERENCE CONSOLIDATED FINANCIAL STATEMENT

This section describes the level of funding OHA planned to receive during FY 2007 and compares it to the actual amount received. Consolidated MTW program funds are accounted for separate from other Special Purpose funding, and the variance between the budgeted and actual amounts are presented.

Federal funding for the Authority's main MTW programs was further reduced in FY 2007. Public Housing was eligible for \$11.4 million but only received \$9.3 million for a shortfall of \$2.1 million. Housing Choice Voucher was eligible for \$144.6 million but only received \$132.3 million for a shortfall of \$12.3 million.

The following tables show OHA's revenue was \$4.5 million less than budgeted in FY 2007.

#### Consolidated MTW Budget

Under MTW, OHA has consolidated the public housing program, the capital fund program, and the section 8 housing choice voucher program funding into one unified budget.

SOURCE:	FY 2007 Budgeted	FY 2007 Actual	Variance
Dwelling Rental Income <sup>1</sup>	\$10,400,000	\$9,917,451	\$(482,549)
Public Housing Operating Subsidy Block Grant <sup>2</sup>	\$9,988,000	\$9,340,674	\$(647,326)
Capital Fund Block Grant <sup>3</sup>	\$10,233,000	\$9,353,476	\$(879,524)
Housing Choice Voucher Block Grant <sup>4</sup>	\$136,136,000	\$132,297,664	\$(3,838,336)
Other Income	\$186,000	\$196,541	\$10,541
Investment Income <sup>5</sup>	\$800,000	\$2,120,397	\$1,320,397
<b>Total Consolidated MTW Revenue</b>	<b>\$167,743,000</b>	<b>\$163,226,203</b>	<b>\$(4,516,797)</b>

**Notes:**

1. Dwelling Rental Income lower than budgeted due to a higher level of actual regular vacancies than budgeted.
2. Decrease in Public Housing Operating Subsidy revenue due to federal appropriation reduction.
3. Decrease in Capital Fund Block Grant revenue due to a shift in strategy for scattered site rehabilitation.
4. Decrease in Housing Choice Voucher Block Grant revenue due to federal appropriation reduction.
5. Increase in Investment Income revenue due to additional funds available for investment in the Housing Choice Voucher Program.

## Special Purpose Funding

Overall revenue for non-MTW programs was \$39,000 less than budgeted.

SOURCE	FY 2007 Budgeted	FY 2007 Actual	Variance
Moderate Rehab Subsidy	\$3,493,000	\$3,542,354	\$49,354
Moderate Rehab Investment Income	\$40,000	\$99,376	\$59,376
Voucher Opt Out Subsidy <sup>1</sup>		\$556,505	\$556,505
Section 8 Mainstream Subsidy	\$1,934,000	\$1,789,942	\$(144,058)
Shelter Plus Care Subsidy	\$2,457,000	\$2,397,776	\$(59,224)
Shelter Plus Care Investment Income		\$8,033	\$8,033
Section 8 Pension Fund (Acorn)	\$247,000	\$250,764	\$3,764
Family Self Sufficiency	\$126,000	\$126,630	\$630
HOPE VI Grants <sup>2</sup>	\$6,800,000	\$6,218,328	\$(581,672)
ROSS Homeownership Grant <sup>3</sup>	\$65,000	\$154,755	\$89,755
Local Fund Rental Income	\$50,000	\$62,985	\$12,985
Local Fund Investment Income <sup>4</sup>	\$275,000	\$170,035	\$(104,965)
Local Fund Other Income	\$175,000	\$245,861	\$70,861
<b>Total Special Purpose Revenue</b>	<b>\$15,662,000</b>	<b>\$15,623,344</b>	<b>\$(38,656)</b>

### Notes:

1. The ACC for 84 units of Sec 8 Opt Out vouchers for the Park Village Apartments became effective October 1, 2006.
2. HOPE VI funding need for fiscal year was less than budgeted.
3. Increase in ROSS Homeownership Grant due to an account adjustment from the prior Fiscal Year..
4. Decrease in Local Fund Investment Income revenue due to decrease in funds available for investment.

## Total Budgeted Funding Versus Actual Funding Received

In total, OHA revenue was \$4,555,453 less than the budget in FY 2007.

SOURCE	FY 2007 Budgeted	FY 2007 Actual	Variance
Consolidated MTW Program Revenue	\$167,743,000	\$163,226,203	\$(4,516,797)
Special Purpose Program Revenue	\$15,662,000	\$15,623,344	\$(38,656)
<b>Total Revenue</b>	<b>\$183,405,000</b>	<b>\$178,849,547</b>	<b>\$(4,555,453)</b>

# SECTION V: USES OF FUNDS

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## BUDGETED VS ACTUAL EXPENDITURES BY LINE ITEM NARRATIVE/EXPLANATION OF DIFFERENCE RESERVE BALANCE AT YEAR END, DISCUSS ADEQUACY OF RESERVES

This section presents a comparison between the level of budgeted expenditures and actual amounts expended by the Authority in FY 2007 for the consolidated MTW program and other special purposes and a discussion of the level and adequacy of reserves.

### Planned Expenditures by Budget Line Item v. Actual Expenditures

The Authority spent \$15.8 million less than budgeted. Most of the cost savings were realized by reduced spending on Section 8 Housing Assistance Payments to landlords, and less spending on capital projects. In total, OHA used 8.0 percent less funds than budgeted.

CONSOLIDATED MTW	FY 2007 Budgeted	FY 2007 Actual	Variance
<b>Line Item:</b>			
Administration & General <sup>1</sup>	\$21,656,000	\$20,694,913	\$961,087
Tenant Services	\$707,000	\$365,714	\$341,286
Utilities	\$2,693,000	\$2,540,686	\$152,314
Maintenance & Contracts	\$11,814,000	\$11,776,936	\$37,064
Police Services	\$2,430,000	\$2,277,977	\$152,023
Housing Assistance Payments <sup>2</sup>	\$122,717,000	\$118,662,673	\$4,054,327
Capital Projects <sup>3</sup>	\$9,051,000	\$3,783,675	\$5,267,325
Capital Equipment	\$377,000	\$357,623	\$19,377
<b>Total Consolidated MTW Expenditures</b>	<b>\$171,445,000</b>	<b>\$160,460,197</b>	<b>\$10,984,803</b>
SPECIAL PURPOSE PROGRAMS	FY 2007 Budgeted	FY 2007 Actual	Variance
<b>Line Item:</b>			
Administration & General	\$1,457,000	\$1,627,182	\$(170,182)
Housing Assistance Payments	\$7,441,000	\$7,533,691	\$(92,691)
Tenant Services		\$253,645	\$(253,645)
Utilities	\$7,000		\$7,000
Maintenance & Contracts	\$14,000	\$55,303	\$(41,303)
Police Services	\$8,000	\$205,111	\$(197,111)
HOPE VI Projects	\$6,800,000	\$6,218,328	\$581,672
Capital Equipment	\$12,000	\$22,086	\$(10,086)
Sec 8 Reserve Investments-HOPE VI <sup>4</sup>	\$4,140,000	\$2,588,458	\$1,551,542

Sec 8 Reserve Investments-Capital <sup>5</sup>	\$6,500,000	\$4,296,397	\$2,203,603
State12 & State6 Reserves-Capital <sup>6</sup>	\$1,300,000		\$1,300,000
<b>Total Special Purpose Expenditures</b>	<b>\$27,679,000</b>	<b>\$22,800,201</b>	<b>\$4,878,799</b>

<b>TOTAL USES OF FUNDS</b>	<b>FY 2007 Budgeted</b>	<b>FY 2007 Actual</b>	<b>Variance</b>
Consolidated MTW Program Expenditures	\$171,445,000	\$160,460,197	\$10,984,803
Special Purpose Program Expenditures	\$27,679,000	\$22,800,201	\$4,878,799
<b>Total Expenditures</b>	<b>\$199,124,000</b>	<b>\$183,260,398</b>	<b>\$15,863,602</b>

**Notes:**

1. The decrease in Administrative & General expenses is due to savings realized in administration salaries and fringe benefit costs.
2. The decreased spending in Housing Assistance Payments in the Consolidated MTW Program is the result of a continued downturn in rent costs which amounted to \$3.7 million and an increase in deferred payments to landlords due to failed inspections in the Housing Choice Voucher Program which amounted to \$300,000.
3. Decrease in Capital Fund Block Grant expense due to a shift in strategy for scattered site rehabilitation projects.
4. Reserves used to purchase property for Coliseum HOPE VI project.
5. Reserves used for site rehabilitation.
6. State 12 & State 6 rehabilitation cancelled. Properties have been appraised and will be put up for sale.

**Net Change in Reserves**

The Authority realized a reduction to Reserves of \$4.4 million which was \$11.3 million less than budgeted because some capital funding was delayed.

<b>CONSOLIDATED MTW PROGRAM</b>	<b>FY 2007 Budgeted</b>	<b>FY 2007 Actual</b>	<b>Variance</b>
Total Revenue	\$167,743,000	\$163,226,203	\$(4,516,797)
Total Expenditures	\$171,445,000	\$160,460,197	\$10,984,803
<b>Total Net Change To Reserves</b>	<b>\$(3,702,000)</b>	<b>\$2,766,006</b>	<b>\$6,468,006</b>
<b>SPECIAL PURPOSE PROGRAMS</b>	<b>FY 2007 Budgeted</b>	<b>FY 2007 Actual</b>	<b>Variance</b>
Total Revenue	\$15,662,000	\$15,623,344	\$(38,656)
Total Expenditures	\$27,679,000	\$22,800,201	\$4,878,799
<b>Total Net Change To Reserves</b>	<b>\$(12,017,000)</b>	<b>\$(7,176,857)</b>	<b>\$4,840,143</b>
<b>ALL PROGRAMS</b>	<b>FY 2007 Budgeted</b>	<b>FY 2007 Actual</b>	<b>Variance</b>
Total Revenue	\$183,405,000	\$178,849,547	\$(4,555,453)
Total Expenditures	\$199,124,000	\$183,260,398	\$15,863,602
<b>Total Net Change To Reserves</b>	<b>\$(15,719,000)</b>	<b>\$(4,410,851)</b>	<b>\$11,308,149</b>

## Level and Adequacy of Reserves

The FY 2007 reserve balance of \$33,446,368 is adequate to cover deficit spending of \$9,638,048 represented in next year's FY 2008 budget,

	<b>FY 2007 Budgeted</b>	<b>FY 2007 Actual</b>	<b>Variance</b>
Housing Choice Voucher Project	\$11,401,314	\$ 11,401,314	\$ 0
Section 8 Voucher and Local Fund Administrative Fee Reserves	\$15,540,638	\$ 17,404,470	\$ 1,863,832
State 12 and State 6 Reserves	\$ 2,787,000	\$ 2,708,303	(\$ 78,697)
Mod Rehab & Shelter Plus Care Reserves	\$ 1,924,000	\$ 1,932,281	\$ 8,281
<b>Total Reserves</b>	<b>\$ 31,652,952</b>	<b>\$ 33,446,368</b>	<b>\$ 1,793,416</b>

# SECTION VI:

## CAPITAL PLANNING

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### PLANNED VS ACTUAL EXPENDITURES BY PROPERTY

#### NARRATIVE DISCUSSION/EXPLANATION OF DIFFERENCE

The Authority administers 3,308 units of public housing located throughout the City of Oakland on 267 sites. While OHA operates nine sites of 30 units or more, there are 254 "scattered sites" with an average of just over than six units. Thus, Oakland is among the nation's leaders in scattering public housing into otherwise privately owned and maintained residential areas.

A scattered public housing stock has helped the Authority deconcentrate poverty and integrate residents into neighborhoods. This approach, however, makes the public housing program significantly more challenging and expensive to operate, especially as the Authority continues to face increasing construction and maintenance costs, an aging housing stock, and more than a decade of decline in federal funding for capital projects.

#### Major Capital Needs and Projects, Estimated Costs and Proposed Timetables:

In 1993, capital funds peaked for OHA at \$10.8 million. Since then, the Authority has seen inadequate appropriations, typically receiving less than \$9 million per year. (By 2006, the Authority received only \$7.4 million.) This short-fall (averaging over \$1 million a year for more than a decade) has resulted in the need to defer property improvements and rehabilitations.

OHA sought to schedule as many major capital projects this year as possible.

#### Following is the list of capital planning activities that were described in the MTW FY 2006 Plan as well as the results of those activities:

1. 1619 and 1805 Harrison Street - Complete Office/Commercial Improvements for improved customer service, security, confidentiality, and efficiency; \$500,000 budget.

1801 Harrison St.

OHA purchased a small office building at 1801 Harrison St. in FY 2007 to house the Office of Real Estate Development. The Development Division and the Capital Improvements Division (CID) will occupy the building in FY 2008. The CID was previously a part of the Facilities Management Department, now part of the Office of Property Operations. The office renovations of this 1960's office building will replace the HVAC system, add modern energy efficient lighting, computer cabling and phone systems, roof repairs, partial painting and carpeting, and other miscellaneous improvements to accommodate the operations of this office. This will be accomplished with the use of local reserve funds, not Capital Funds.

1805/1619 Harrison St. Office Buildings

The renovation of the Department of Leased Housing offices is in progress. The site redesign is part of a department-wide reorganization. The entry lobby, meeting spaces and offices are being improved to facilitate increased traffic flow, provide confidential space for meetings with tenants, improve security, and bring together project staff. The architect finalized the redesign phase and construction; this began in FY 2007 and is expected to be completed in October 2007 (FY 2008).

2. 1242 95th Ave (6 units) - Complete Non-Federally Funded Sixplex Renovation; \$600,000 budget.  
A complete renovation of this non-federally funded six-plex was anticipated in the FY 2007 annual plan. It has since been determined that the proposed renovation of this locally owned property is not in OHA's best interest. The renovation plan for the "State 6" apartment complex has been shelved in favor of a disposition plan for the property. We obtained an appraisal of this site in June 2007 and plan to sell the site in FY 2008 in a disposition connected to the "State 12" single family homes.

3. Complete A/E Design and Renovation projects totaling \$6,216,200 in capital improvements for the following:

o 1424 50th Ave (4 units); \$500,900 budget.

This project was completed in FY 2007.

o 1445 50th Ave (6 units); \$730,700 budget.

This project was substantially completed in FY 2007.

o 2011 7th Ave, (6 units); \$831,200 budget.

This site is vacant and boarded and is on hold. It is being considered for disposition.

o 2919 E.16th Street (12 units); \$1,629,000 budget.

This project was substantially completed in FY 2007.

o 2170 E. 28th Street (11 units); \$1,438,200 budget.

This site's reconstruction is underway.

o 2056 35th Ave. (9 units); \$1,500,200 budget.

This site's reconstruction is underway.

**Note: Substantial Change in Strategy for Scattered Sites:**

The FY 2007 annual plan listed numerous challenging public housing sites as projects slated for significant renovation. OHA no longer plans for comprehensive renovation of scattered sites, other than those that are in the process. We plan to focus on making basic repairs to preserve a larger number of buildings. OHA will make repairs to the building "envelope" to prevent further deterioration and ensure habitability for properties that are occupied but have not previously been comprehensively rehabbed. OHA will also make repairs to properties that were already rehabbed to ensure that the investment is protected.

OHA is now considering a major disposition strategy for FY 2008. We expect to obtain appraisals of all public housing properties during FY 2008 and to submit an application to HUD for permission to dispose of certain sites, and to apply for Section 8 tenant protection vouchers as a relocation resource for the residents. The first vacant scattered sites are likely to be those disposed of include the properties at 2011 7<sup>th</sup> Avenue, 1236 E. 17<sup>th</sup> Street, 2530 9<sup>th</sup> Avenue, and 2509 77<sup>th</sup> Avenue. OHA is obtaining appraisals on these sites and will seek HUD's permission to dispose of these vacant sites in FY 2008.

4. Complete fire repair of 1236 E. 17th Street (10 units); \$1,250,000 budget.

The comprehensive rehabilitation of this property was planned for FY 2007 after a fire. However, after exploring alternatives with an architect, and considering the limits on its capital resources, the OHA determined that this building is unsuitable for rehab. We have mothballed the building and will explore a disposition of this property as noted above.

5. 1180 25th Avenue - Service Center Parking Lot Design/Build Project; \$750,000 budget

OHA completed the parking lot reconfiguration on acquired land.

6. Complete the following three (3) Non-Federally Funded Single Family Home Renovation projects:
  - o 1263 95th Avenue; \$150,000 budget, construction schedule 3/06 – 6/06.
  - o 1168 78th Avenue; \$125,000 budget, construction schedule 3/06 – 6/06.
  - o 1240 77th Avenue; \$120,000 budget, construction schedule 3/06 – 6/06.

#### Non-Federally Funded Single Family Homes.

The "State 12" single family homes were purchased from the State of California in the mid 1980s and are locally owned. The annual plan proposed renovation of three of these sites including 1263 95<sup>th</sup> Avenue, 1168 78<sup>th</sup> Avenue and 1240 77<sup>th</sup> Avenue. After further review, OHA determined that planned investment was not suitable, as it would require it to maintain involvement to manage and maintain these single family houses as rental units. OHA obtained appraisals on these homes and intends to explore a disposition strategy in FY 2008

7. 2509 77th Avenue (22 Units) Complete A/E Design and plan for Renovations; \$3,300,500 budget.

Also known as 77<sup>th</sup> and Bancroft, this 22-unit development was completely vacated in FY 2004 in anticipation of a major renovation. The FY 2007 annual plan estimated A/E design and plans would be completed during the year. OHA has now determined that this vacant site should be disposed of in conjunction with a broad disposition of scattered public housing sites as indicated above.

#### **Projects in Planning and Development:**

Thirteen sites were listed in the FY 2007 for planning and development. Five sites in FY 2007 annual plan were awarded to architects, and designs were produced during FY 2007. These include the properties at 2381 E. 21<sup>st</sup> St., 3500 Bruce St., 4203 Terrace St., 6921 Fresno (and the adjacent property at 6916 Arthur was added to the plan), and 1739 89<sup>th</sup> Ave. All six sites are expected to be renovated in FY 2008. Eight sites (listed as numbers 13 through 20) in the FY 2007 annual plan) did not advance though the planning and development process and may be candidates for the new "building envelope" program or a disposition.

8. 2381 E 21st Street (4 units); A/E Design and plan for Renovations \$500,000 budget.
9. 3500 Bruce Street (8 units); A/E Design and plan for Renovations \$1,200,000 budget.
10. 4203 Terrace Street (4 units); A/E Design and plan for Renovations \$600,000 budget.
11. 6921 Fresno Street (5 units); A/E Design and plan for Renovations \$600,000 budget.
12. 1739 89th Avenue: (6 units); A/E Design and plan for Renovations \$800,000 budget.
13. 533 59th Street (9 units); A/E Design and plan for Renovations \$800,000 budget.
14. 1599 54th Avenue (4 units); A/E Design and plan for Renovations \$600,000 budget.
15. 2102 E 17th Street (4 units); A/E Design and plan for Renovations \$600,000 budget.
16. 2155 E 28th Street (5 units); A/E Design and plan for Renovations \$700,000 budget.
17. 2272 E 19th Street (4 units); A/E Design and plan for Renovations \$600,000 budget.
18. 2440 E 21st Street (8units); A/E Design and plan for Renovations \$800,000 budget.

19. 869 Walker Street (4 units); A/E Design and plan for Renovations \$600,000 budget.
20. 4118 Lyon Street (8 units); A/E Design and plan for Renovations \$1,400,000 budget.  
This site is now vacant and boarded up, and has been put on hold.

**Projects Under Consideration:**

Other than 2530 9<sup>th</sup> Ave. which was previously described as vacant and possibly headed for disposition, the six remaining properties may be included in the building envelope.

21. 1930-1944 16th Avenue (9 units); Complete A/E Design and plan for Renovations
22. 2530 9th Avenue (15 Units); Complete A/E Design and plan for Renovations
23. 2933 Martin Luther King Jr. Way; Complete A/E Design and plan for Renovations
24. 541 29th Street; Complete A/E Design and plan for Renovations
25. 2474 26th Avenue; Complete A/E Design and plan for Renovations
26. 2212-2216 E. 21st Street; Complete A/E Design and plan for Renovations
27. 2311 – 2315 98th Avenue; Complete A/E Design and plan for Renovations

OHA also intends to redevelop the Tassafaronga public housing site if awarded funding from the HOPE VI program. However, OHA was not funded for HOPE VI in FY 2007.

# **SECTION VII: MANAGEMENT INFORMATION FOR OWNED/MANAGED UNITS**

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## **VACANCY RATES RENT COLLECTIONS WORK ORDERS INSPECTIONS SECURITY**

This section of the annual report presents a series of indicators for the management of the public housing program. It compares the targets set in the FY 2007 annual plan for the program's management to the outcomes achieved. This includes the management of OHA's 3,308 public housing units, 307 of which are apartments to be operated by private management under HOPE VI. OHA directly operates nine sites of 30 units or more and 254 small sites with an average of less than six units scattered throughout Oakland.

It has been more than a decade since the federal government fully funded the public housing program. Like most housing authorities, this chronic lack of funds has forced OHA to defer maintenance, repairs, and major systems replacements, and has put a severe strain on services available for public housing residents.

As the Authority's housing stock continues to age (the scattered sites were all built between 1968 and 1973, the larger sites even earlier), and more and more maintenance is deferred, residents are forced to live in less appealing conditions. Thus while the City of Oakland has enjoyed a surge in residential development, renovation and private investment, the public housing stock lags behind, creating an increasingly apparent discrepancy.

OHA has responded to this situation by using the funding flexibility afforded as part of the MTW program to focus on repairing basic systems and improving curb appeal of many of its units. For the most challenging sites in the Authority's inventory, a special project team was formed to focus resources on the physical and social infrastructure improvements.

## **VACANCY**

The FY 2007 annual plan set a target of less than 2 percent vacancy for the public housing program's entire housing stock, except those units undergoing major renovation and modernization. At the close of the end of the fiscal year, routine vacancies were at 6.2 percent (excluding HOPE VI sites).

Several factors influenced the high level of routine vacancies. Foremost, there continued to be a large number of public housing tenants who left the program to accept Section 8 vouchers. In addition, the reorganization and staff restructuring as the agency transitions to property based

management, and its impact on daily operations, resulted in delays in vacancy turnover and the implementation of the 2006 wait list opening.

It is important to note, the policy governing re-occupancy of units was not changed during the year, though proposals to modify the administration of leases and admitting of tenants were under consideration at year's end.

## **RENT COLLECTIONS**

During FY 2007, the Authority collected 94.4 percent of rent charged. At the end of June 2007, the tenant's account receivables had reached \$1,028,425. The Authority implemented operational improvements to collections, including working with public housing families to help them develop better rent payment practices and a more aggressive for-cause eviction process when tenancy could not be preserved. While this did increase pay and stay agreements as well as evictions for non payment, the reduction in uncollected rents was not realized.

## **WORK ORDERS**

During FY 2007, 100 percent of the 1,237 emergency work orders were completed or abated within 24 hours. Non-emergency work orders were completed on average within 276.82 days. This exceedingly long average time is the result of efforts to clean up a large number of old maintenance requests. Many of these old orders have been completed, including requests for flooring and for painting. Another issue affecting response time was the need to institute and provide training for more stringent asbestos handling for a large amount of routine work, as well as the reorganization of staff teams due to the transition to the Asset Management based structure.

## **INSPECTIONS**

The FY 2007 annual plan set for the Authority a goal of completing inspections on 100 percent of its owned and managed units. The Authority inspects all available public housing units and buildings on an annual basis. Units and buildings that are vacant and undergoing comprehensive modernization through the capital fund or HOPE VI will not be inspected until they are ready for reoccupancy.

This goal was met. Every unit that the Authority owns and/or manages was inspected during the year.

## **RESULTS OF INDEPENDENT PHAS INSPECTIONS**

HUD's Real Estate Assessment Center (REAC) is to conduct annual inspections of our portfolio using the Public Housing Assessment System (PHAS.) Included in these inspections is the Physical Assessment Subsystem (PASS,) which determines whether a public housing authority's housing stock meets the standard of decent, safe and sanitary, and is in good repair.

OHA's units are to be inspected by HUD annually, and a score for those inspections sent to OHA. It should be noted that while PASS inspections of Authority properties were initiated during the final quarter of FY 2007, the inspections were not scheduled to be completed until the first quarter of FY 2008. Inspections were last conducted in FY 2005. REAC has yet to release PHAS scores for OHA for either of these years.

## SECURITY

The primary law enforcement agency in the City of Oakland is the Oakland Police Department (OPD.) The Oakland Housing Authority established a police department (OHAPD) to supplement OPD to increase the safety and security of residents living in Authority properties. During the 2007 fiscal year, OHAPD continued to focus attention on crime related and other community issues which effect public housing tenants and Section 8 participants, including:

**Employ pro-active measures toward reducing crime on and around Authority-owned properties:** OHAPD utilized proactive crime fighting strategies to combat illicit narcotics and criminal activity with the formation of a site intervention team. Officers assigned to the team give their full focus on problem properties and work with Community Resident Services to reduce criminal activity.

**Conduct regular crime analysis on calls for service to determine trends as well as types of calls OHAPD is receiving and adjust workload assessments and officer deployment accordingly:** Officers conducted constant analysis on calls for service to monitor the level and type of criminal activities being reported. Based on this analysis, on field observations and other sources of information, OHAPD was able improve its deployment, including surveillance and other pro-active police activities.

**Continue to investigate fraud in the Section 8 and public housing programs:** During FY 2007, OHAPD's Fraud Investigations Unit (FIU) opened 235 investigations, and investigated and closed 173 cases. Many of these cases resulted in repayment agreements. The total amount recovered as a result of repayment agreements for the year was \$281,426.85.

**Increase resident involvement through community outings and events:** Authority management and OHAPD officers continued to be involved in the community during 2007. A farmers market was sponsored and offered fresh produce to senior citizens. Staff continued a tradition of sponsoring and working the annual holiday splendor. This event offers our seniors a night out of dinner, dancing and celebration during the holiday season. Staff also participated in National Night Out at several sites. Potluck dinners, forging community friendships, and a visit by the crime fighting dog McGruff were evening highlights.

**Expansion of OHAPD Communications center:** Construction was completed and the Communication Center was revamped. New terminals were added as well as work stations for officers to complete reports. Dispatchers now have two work stations, and access to more systems to improve our crime prevention and data gathering processes.

**Maintain national accreditation through the Commission on Accreditation for Law Enforcement Agencies (CALEA):** OHAPD's CALEA accreditation was renewed in March 2005. This accreditation has proven beneficial for the Police Department and has enhanced OHA's ability to provide professional services to our residents and the community at large. Another benefit CALEA offers is a general reduction of liability exposure. OHAPD must apply for reaccreditation every three years.

**Continue Police Athletic League (PAL) activities which include camping trips and other outings with youth:** Relationships are at the core of youth development, and the department is dedicated to offering programs that will enhance relationships between our young residents and the police. In FY 2007, more than 42 children attended a three-day overnight summer camp with OHA police officers and staff.

**Conduct emergency action exercises:** Training was conducted with all OHAPD staff and risk management personnel. A tabletop exercise simulating simultaneous disasters in the city was conducted. OHAPD management and officers were tested and had to make critical decisions using staff and resources. These exercises are designed to prepare staff to manage an incident efficiently should one occur.

**Conduct resident surveys and utilize the survey result information when developing patrol strategies:** OHA residents were surveyed on the quality of services provided by OHAPD, including: overall safety; individual contacts with police; and neighborhood concerns. The information has been disseminated to police department staff, as well as other Authority departments.

# **SECTION VIII: MANAGEMENT INFORMATION FOR LEASED HOUSING**

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## **LEASING INFORMATION INSPECTION STRATEGY**

The Oakland Housing Authority's leased housing program is one of the largest programs of its kind. It has housed hundreds of thousands of Oakland's low-income residents and added hundreds of millions of dollars to the local economy via housing assistance payments to landlords. The program currently administers more than 11,000 Section 8 vouchers from HUD, and allows the Authority to house approximately 30,000 people.

### **TARGET VS ACTUAL LEASE UPS**

The 2007 annual plan projected that more than 97 percent of Section 8 units would be leased at the end of the fiscal year. This projection was met and exceeded as the year ended at 100.3 percent annual utilization rate. This was a monumental task as FY 2007 began with only 92.7 percent of units under lease. The under utilization was the result of three factors responsible for a large and unanticipated drop in voucher utilization in FY 2006.

FY 2007 marked an aggressive campaign to bring the Section 8 program back to full capacity. With a refreshed waitlist to draw from, the Authority issued more than 1500 new vouchers. Family success rates markedly improved and the net result was an increase in the total number of households served by nearly 1000 families in FY 2007.

### **INFORMATION AND CERTIFICATION OF DATA ON LEASED HOUSING MANAGEMENT NARRATIVE/EXPLANATION OF DIFFERENCES**

#### **Ensuring rent reasonableness**

As projected, OHA did not make any changes to its rent reasonableness policies. All requests for rent increases continue to be assessed per HUD guidelines and existing OHA policy.

#### **Expanding housing opportunities**

A number of policy initiatives to expand housing opportunities in the Section 8 program were contemplated in the FY 2007 annual plan. While such policies remain under consideration, OHA did not adopt new policy in this area during the fiscal year.

## Deconcentration of low-income families

The FY 2007 annual plan indicated that the Authority may examine and change policies for the deconcentration of low-income families via income targeting, differing payment standards and portability. No new policy was developed regarding deconcentration during the year.

### INSPECTION STRATEGY

### RESULTS OF STRATEGY

### NARRATIVE/DISCUSSION OF DIFFERENCE

#### Planned vs. Actual Inspections Completed by Category:

The FY 2007 annual plan indicated that OHA intended to conduct 100 percent of its annual, pre-contract and quality control HQS inspections. The plan also proposed exploring efficient alternatives to the current inspection process, and considering alternative inspection methods and standards.

As planned, OHA had conducted 100 percent of its annual, pre-contract and quality control HQS inspections by the end of the year. And while no new inspections policy was introduced in FY 2007, a number of administrative initiatives were initiated that made the process more efficient and accurate.

#### Planned Vs. Actual Inspections

Inspection Type	Budgeted FY 2007	Actual FY 2007
Annual	100%	100%
Pre-Contract	100%	100%
Quality Control	100%	100%

The Leased Housing department is in its second year of a major reorganization; previously, unit inspections were conducted as one of many duties assigned to housing representatives. Newly created housing inspection staff positions resulted in a more focused and efficient process conducted by trained specialists. Personal digital assistants (PDA's) designed to automatically download data into an inspection data base were distributed for use by inspectors. The system's software maintains historical profiles of individual units and properties, and provides for easier sharing of information on properties, and gives more timely notification of needed repairs. In FY 2007, contract inspectors were also used to supplement the efforts of the Inspection staff throughout the transition.

#### HQS Enforcement

For those units or properties that fail an HQS inspection, the Authority enforced its policy on correcting failed items in 100 percent of reported incidents. For units under contract, owners were given 24 hours to correct emergency items; 72 hours to repair replace appliances and plumbing; and 30 days for all other items.

# SECTION IX:

## RESIDENT PROGRAMS

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### PLANNED VS ACTUAL ACTIONS

### NARRATIVE/EXPLANATION OF DIFFERENCE

The Oakland Housing Authority aims to support public housing residents and Section 8 participants' self-sufficiency, civic involvement and economic development. To do so, the FY 2007 annual plan called for a wide range of programs and services involving asset building and home ownership, self-sufficiency and job training, resident involvement and staff development and supportive services.

The Authority had a successful year linking residents to programs that support self-sufficiency and an increased quality of life. Despite limited funding, OHA made efficient use of HOPE VI, Resident Opportunity for Self-Sufficiency (ROSS), Weed and Seed and block grant funds to leverage resources from various community partners, to provide direct services to over 500 working age adults, school aged youth, older youth and seniors residents during FY 2007.

FY 2007 activities exceeded the annual plan's expectations, and included distributing brochures, flyers and articles about employment, family services, youth services, senior services and community building activities to families residing in public housing and Section 8 subsidized properties. Information was disseminated through neighborhood canvassing, community meetings, direct mailing campaigns, orientations, the resident newsletter and rent statements. Various community based organizations educated families on preventative health strategies, emergency preparedness, elder fall prevention, CalWORKS and the Food Stamp program.

#### Life Enrichment Services

- People's Credit Union - Facilitated 16 financial money management and tax preparation workshops.
- Alameda County Commission on Aging - Hosted on-site educational nutrition clinics and a farmers' market to provide fresh fruit and vegetables at a discount rate to the senior resident population.
- United Seniors of Alameda County - Advocacy group that support seniors living in multi-unit housing with community building and life-improvement activities.
- St. Vincent de Paul - Provides fresh bakery, perishables and bread distribution to 150 families every month.
- Jack London Aquatic Center - Provides training and mentoring through water sports, kayaking and sportsmanship training
- Volunteers of America - Provided 100 food baskets and hosted the annual Mother's Day brunch honoring seniors.
- Red Cross - Provided instruction on emergency preparedness and community disaster mobilization.
- Four Seasons Concerts - Provided free tickets to OHA residents and staff to attend musical events in the bay area.
- Oakland A's and Oakland Coliseum McAfee Arena - Provided 50 free tickets to residents to attend Oakland A's Major League Baseball games.

## Workforce Development and Section 3 Programs

More than 160 seniors, working-age adults and older youth benefited from workshops, training, job readiness and job placement assistance, resulting in 67 participants reporting successful employment. These services were provided through the following partnerships:

- Workforce Investment Board (WIB) - Workforce development partnership with over 60 public and private section organizations focused on employment and workforce development including the One Stop Career Centers.
- The Cypress Mandela/WIST Training Center - Pre-apprenticeship program for careers in the trades.
- BASICS - Pre-apprenticeship program for careers in the trades.
- Section 3 Hires – 68 Section 3 low-income residents were hired at Lion Creek Crossings (formerly Coliseum Gardens), OHA's most ambitious HOPE VI development.
- Youth Employment Partnership Program - Youth build program providing older youth with GED preparedness, subsidized job training, case management and job placement assistance.
- Unity Council - Provides job training, GED, job placement assistance and employment support that specializes in assisting limited English speaking clients.
- City of Oakland ASSETS - Provides job training and placement assistance to work able seniors. Two ASSETT workers staffed the OHA Dial a Care senior support program and the BACS lunch program at the Palo Vista Gardens Senior Community.

## Resident Program Highlights

- More than 150 job seekers met with members of the Site Intervention team and the public housing self-sufficiency coordinator to receive information about job placement assistance, job training and vocational training sites.
- More than 130 clients participated in homeownership orientations, and individual supportive services.
- Sessions and group education workshops funded through HOPE VI, ROSS Homeownership Supportive Services and the Section 8 Homeownership Programs, resulted in three first-time homebuyers for the fiscal year.
- The Section 8 FSS Program provided assistance to 280 families, including 43 new enrollments focused on achieving self-sufficiency and realizing asset building through earned income.
- The Authority managed five HOPE VI and three ROSS sub-contracts with community service providers for community and supportive services, providing entrepreneurial training, job training, asset building, and after school programs, homeownership, and other supportive services. These services are available to more than 200 HOPE VI households.
- Community building and resident leadership development was advanced by facilitation of more than 125 site meetings, with Resident Advisory Board meetings, and resident leadership trainings.
- The Authority partnered with a CBO to provide support documentation for a grant application.
- The OHA Police Department hosted a 3-day over-night summer camp at Gualala Camp grounds for 35 youth.
- Ten OHA sites hosted National Night Out festivities to build stronger community ties among neighbors.
- Fourteen youth completed three 5-day instructional sessions in kayaking through the Jack London Aquatic Center, learning additional leadership and teambuilding skills.
- OHA hosted the annual Housing Authority Insurance poster contest in which four youth participated.

## **Results of Latest PHAS Resident Survey**

The MTW Agreement provides that during the term of the MTW demonstration, OHA will be evaluated by HUD on the basis of its Annual Report, in lieu of the Public Housing Assessment System (PHAS) or its successor system. The Authority will retain its status as a "High Performer" under the Public Housing Management Assessment Program (PHMAP) and whereas future evaluation under the Public Housing Assessment System (PHAS), or its successor, does not apply, OHA will be entitled to any and all incentives, including bonus points, which may be applicable to any competitive or formula programs offered under the PHAS or any successor system.

OHA's most recent RASS score was obtained in 2004; OHA was awarded six points out of 10. In 2005 and 2006, OHA received the maximum RASS score of 10 points due to a temporary exemption due to its participation in the MTW program.

# **SECTION X: OTHER INFORMATION AS REQUIRED BY HUD**

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## **RESULTS OF LATEST COMPLETED 133 AUDIT (including program-specific OMB compliance supplement items, as applicable to the HA's Agreement)**

The most recent 133 Audit was completed on June 30, 2006, and was previously provided to HUD.

## **REQUIRED CERTIFICATIONS AND OTHER SUBMISSIONS (from which the Agency is not exempted by the MTW Agreement)**

The Authority previously submitted with its annual plan all those certifications from which it is not exempted by the MTW Agreement.

## **SUBMISSIONS REQUIRED FOR THE RECEIPT OF FUNDS**

The Authority attaches to its annual plans all those submissions required for the receipt of funds.

