

MINUTES OF THE SPECIAL MEETING
BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE
CITY OF OAKLAND, CALIFORNIA
HELD WEDNESDAY, MARCH 12, 2003

The Oakland Housing Authority Board of Commissioners convened a Special Meeting /Work Session at 1619 Harrison Street, Oakland, California on the above date. Chair Richard E. Winnie called the meeting to order at 12:19 p.m.

I. Pledge of Allegiance

II. Roll Call

Commissioners present were Alfred Lee (arrived late), Moses L. Mayne, Jr., Marion Mills, Melanie M. Shelby, Jacqueline Taylor and Chair Richard E. Winnie. Commissioner Teresa Limon was absent.

III. Modifications to the Agenda

There were none.

IV. New Business

A. Workshop discussion of the proposed operating budget for the fiscal year beginning July 1, 2003 and ending June 30, 2004.

Mr. Jon Gresley, Executive Director, said that the proposed operating budget to be presented at this meeting was the result of the discussion and instructions by the Board during the budget committee meeting on March 6, 2003. Mr. Gresley outlined the percentage of staffing cut, the increase of capital fund by 10% (to a total of 20%) devoted to Operations, and the continued usage of interest earned on investment to fund the Police Department. Mr. Gresley also mentioned that next year, the fee that the Authority receives from HUD for Section 8 could only be spent on Section 8. Mr. Gresley called upon Mr. Stephen Knight, Director of Finance, for a presentation on the proposed budget for FY 2003/2004.

Mr. Knight, with Mr. Dennis Brumfield, Accounting Officer, provided the presentation. Mr. Knight started his presentation on the Low Rent Program Budget Comparison between FY 2002/03 and FY 2003/04, comparing the Total Operating Revenue and the Total Operating

Expense. The projected Net Change Reserve between FY 2002/03 and FY 2003/04 shows an increase of \$69,000.

The next presentation was on the Section 8 Program Budget comparison between FY 2002/03 and FY 2003/04. Again, Mr. Knight made a comparison of the Total Operating Revenue and the Total Operating Expense between the two fiscal years. The Interest Earned shows a projected decrease of \$1,059. The projected Net Change Reserve shows a decrease of \$795,000.

The third presentation was on the Budget Fiscal Year 2003/04 on All Programs. Mr. Knight explained the Total Operating Revenue, the Total Operating Expense, Interest Earned and the Total Net Change Reserve of Low Rent, Section 8 Programs, Local Fund, Capital Fund and HOPE VI. The operating expense on all programs exceeds the operating revenue, and the net change reserve from Operations shows a deficit of \$841,000. However, the projected interest earned was \$1,263,000 and the net change reserve thereafter was a positive \$422,000. Police cost would be underwritten from interests on investments.

A discussion ensued that was first focused on the Police Department funding, then shifted on the Police Department's function in relation to that of the Oakland Police Department. Chair Winnie would like to come up with a better way to leverage funding resources for the police department. Commissioner Taylor would like to see funding at a mediation level for residents. Commissioner Lee handed out and read a statement about scattered sites. Commissioner Lee is concerned with setting policy standards that would constitute proper behavior for residents at the Authority's scattered sites.

Mr. Gresley suggested that a briefing on the police department be scheduled for April 9, 2003. Commissioner Taylor suggested that the briefing be held at the Tassafaronga Village. With the assent of the Commission, a briefing on the police department was scheduled for April 9th at Tassafaronga Village.

The presentation by Mr. Knight resumed. His last presentation was about staffing. Mr. Knight described the proposed staffing of all the departments, citing the differences between FFY 2002/03 and FFY 2003/04. Following discussion, Mr. Knight noted that a final draft, with minor adjustments, of the operating budget for FFY 2003/04 would be presented to the Board for approval during the meeting of March 24, 2003. Mr. Gresley gave a briefing on the Cash Reserve Analysis. A copy of the Cash Reserve Analysis was handed out to the

Commissioners. Mr. Gresley reported that a number of adjustments need to be made to properly reflect expenses that should have been charged to the Local Section 8 Administrative Fee Reserve that were charged to the General Local Fund Reserve. The effect is that the Local Section 8 Administrative Fee Reserve will be adjusted to a lower figure and the General Local Fund Reserve will be adjusted upward.

B. Discussion of strategies for Coliseum Gardens HOPE VI off-site “buy-ins.”

Mr. Gresley provided an overview of the off-site “buy-in” strategies. Mr. Neville gave a background summary of the Authority’s ownership structure of Chestnut, Linden and Westwood/Mandela Project, as well as the Coliseum primary site. Following a discussion, Commissioners Shelby and Lee noted that this item merits further discussion.

C. Discussion of the Authority’s scattered sites – challenges and opportunities.

Commissioner Shelby suggested that the discussion of scattered sites be held at the April work session meeting. The Board agreed.

D. Briefing on the Authority’s proposed agreement for the Making Transitions Work program.

Mr. Gresley informed the Board about the status of the proposed agreement submitted to HUD for the Making Transitions Work (MTW) about 11 months ago. Mr. Gresley said the Authority has not yet received a written response to it. He also mentioned that the Oakland Housing Authority (OHA) was one of the four housing authorities selected by HUD. The other three were: Atlanta, Washington, D.C. and King County, Washington. With the assent of the Board, MTW would be put on hold until a response from HUD is received.

Mr. Gresley gave a handout listing the times of the Tuesday meetings during the NAHRO Legislative Conference March 17 - 19, 2003.

V. Adjournment

Without any further business, the meeting was adjourned at 3:20 p.m.

Chair

Secretary