

MINUTES OF THE SPECIAL MEETING  
BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA  
HELD WEDNESDAY, MARCH 28, 2007

[Meetings are recorded. A copy of the recording can be made available via email by sending a request to [fvital@oakha.org](mailto:fvital@oakha.org) or by calling 510-874-1517]

The Oakland Housing Authority Board of Commissioners convened a Special Meeting at 1619 Harrison Street, Oakland, California on the above date. Chair Moses L. Mayne, Jr. called the meeting to order at 6:07 p.m.

I. Pledge of Allegiance

Ms. Ann Clegg, Administrative Assistant in the Executive Offices led the Pledge of Allegiance.

II. Roll Call

Commissioners present were Joe L. Brown, Gregory D. Hartwig, Alfred Lee, and Chair Moses L. Mayne, Jr. Commissioner Robert J. Pittman Jr., arrived later. Commissioners Ramon J. Terrazas and Jacqueline M. Taylor were excused.

III. Report from the Legal Counsel regarding final decisions made during Closed Session on February 26, 2007.

General Counsel Jennifer Bell reported that there were no final decisions made in the last closed session.

IV. Approval of Minutes: Regular Meeting of February 26, 2007

Commissioner Lee moved to approve the above minutes. Commissioner Brown seconded, and the Board voted unanimous approval.

V. Modifications to the Agenda

Chair Mayne suggested that Item VI Section C on the agenda "Briefing on a proposed affordable senior housing development at 17th and Harrison Streets with Oakland Housing Initiatives and Christian Church Homes." be moved up after Section A of the New Business Items. The Commissioners agreed.

## VI. New Business

### A. Public Hearing – Oakland Housing Authority 2008 Fiscal Year MTW Plan.

David Lipsetz, Sr. Policy Analyst presented a draft overview of the FY 2008 MTW Plan (the “Plan”). The Plan is intended to provide a review of policy areas that will be considered for modification during the upcoming fiscal year 2008. Translators for various languages were available, and audience members needing assistance were encouraged to gather by common language.

Mr. Lipsetz informed the Board this was a preliminary draft of the Plan that must eventually be submitted to HUD. UC Berkeley’s, Kendra Scalia was recognized for her major contribution in gathering the data and editing the document. The purpose of this presentation was to describe the plan and collect input from the Public. The Plan is on the website. Public comments would be appreciated during the presentation of the Plan this evening, or via mail and e-mail (mtw@oakha.org) by April 10.

The structure of the Plan is predetermined by OHA’s MTW agreement with HUD. Mr. Lipsetz presented each of the Plan’s 10 sections in order.

The distribution of families being served, by type, income, race and other factors has not changed significantly during OHA’s participation in MTW.

Rent simplification is on the top of HUD’s priority list for MTW housing authorities. OHA will make developing and testing a simplified rent policy a high priority. Ms. Sharon Cossey, Director of Property Operations, spoke about other occupancy policies under consideration.

The only expected change to the housing stock is the completion of units in Phase II at Lion Creek Crossing. This will increase the stock. An increase in project based voucher use to approximately 1,000 vouchers will be considered.

Mr. Stephen Knight, Director of Finance, spoke about the funding sources and compared budgeted funding levels to actual amounts of funding received reflected in this draft. He provided an explanation of projected changes and proposals.

OHA will be spending more than we take in: including a possibly significant spending down of reserves for capital improvement and other program administration. At the end of FY2008, OHA may be left with less than one month of operating funds.

Mr. Phil Neville, Director of Real Estate Development, discussed the sites for capital improvements. He mentioned that the Authority intends to prepare a Hope VI application for Tassafaronga, even though we have been turned down twice already.

Ms. Cossey discussed the HUD benchmarks on management performance including: vacancy rates, rent collections, work orders, inspections and security.

Mr. Mark Stephenson, Director of Leased Housing, talked about documenting and approving rent increases, housing opportunities and deconcentration.

Ms. Patricia Ison, Director of Property Operations, explained that the reduction in federal funding will cause a reduction in the number of programs and their quality. The Authority will work to obtain funds from the City and other sources to fund the residents' outreach programs.

No speakers came forward to voice their opinion after this presentation.

Commissioner Lee thanked Ms. Cossey for her contributions. Mr. Gresley acknowledged the work of the Resident Advisory Board.

C. Briefing on a proposed affordable senior housing development at 17th and Harrison Streets with Oakland Housing Initiatives and Christian Church Homes.

Mr. Gresley asked Mr. Neville to come to the podium to present the material concerning this subject. Mr. Neville indicated the purchase of the site was made with local reserve funds. The status for senior housing has been approved. There are plans to seek HUD 202 funds in partnership with Christian Church Homes and OHI, \$1,533,000 has been approved.

There are three things to consider: 1) site assembly tone, 2) funding-City fund approved; and 3) Goldfarb & Lipman environmental report.

Commissioner Pittman asked if there are any things from Christian Church Homes or HUD to include seniors and ambulatory disabled. Mr. Neville replied that 202 programs require 62 years and over. Five percent of the units are to be accessible.

B. Consideration of recommendation to execute a construction contract with Hi Tech Construction for Comprehensive Rehabilitation of 2056 35th Avenue.

Mr. Neville articulated the reasons to consider approving the aforementioned contract. Costs have escalated since the physical needs assessment of a couple of years ago. The entry promenade and decks are particularly bad. Roof replacement was complicated. Cost of materials has gone up. We're asking for more than \$95,000 over and above the amount approved in last year's MTW plan. Budget line item was \$1,278,000. The source is the Capital Grant Fund, a HUD fund. Architects worked with us to simplify the scope. Accessible units are not possible at this project due to the slope of the land. There are nine (9) units, none of which will be accessible due to extraordinary costs.

Five bids were sought for this project. The table attached to the memo provided to the Board in the initial packet contains the contractor's bids. Hi Tech Construction was chosen. The Authority has previous favorable experience with this contractor. They plan to use a team of local subcontractors and Hi Tech Construction is an Oakland based firm. Mr. Neville asked the Board to approve this contract.

Discussion ensued. Commissioner Pittman asked about the considerable grounds of landscaping around the project and whether this was included in the architect's bid. Mr. Neville informed him that most of those line items had been removed from the contract. He called upon Ms. Cossey who said that we will go back in with our own landscaping crew to take care of the grounds.

Commissioner Lee asked when it was noticed that the project costs had gone over the original amount. Mr. Neville responded that when the bids came in was the most recent indication. The original estimate had been \$1.8M, so we did some value engineering and removed many of the improvements recommended by the architect to reduce the estimate.

Commissioner Lee asked how much the entire project would cost, excluding staff time. Mr. Neville responded that the architect was around \$100,000, project bid was \$1.2M, so total is \$1,377,000. Commissioner Lee also inquired about relocation costs for the tenants. Tenants have already been transferred to other existing projects. Ms. Cossey said some costs had been incurred with their moves, usually less than \$1,000. There are no tenants at the site and the project is ready for improvements. Commissioner Lee also asked about the timeline for project. Mr. Neville said it would take approximately six months to complete.

Commissioner Lee inquired about location of garbage receptacles. Mr. Neville referred to the elevated site plan and said it would be located in the same spot, covered by a screen. Some discussion ensued about dumpsters vs. individual receptacles. Mr. Neville reminded the Board that the Authority is moving

towards individual cans rather than dumpsters. Commissioner Lee suggested that a discussion regarding this subject for all OHA owned property be brought up at another meeting.

Commissioner Pittman moved approval of the item. Commissioner Hartwig seconded the motion and the Board voted. Commissioners Brown, Hartwig, Pittman and Chair Mayne voted yes. Commissioner Lee abstained.

D. Consideration of recommendation for the renewal of Automobile insurance.

Mr. Gresley addressed the Commissioners concerning the renewal of automobile insurance. He noted that insurance renewal is a rather routine expenditure. But in an effort to make certain all items of substantial cost are brought before the Board, this item was included on tonight's agenda. Mr. Gresley further indicated that the policy date for this insurance had already commenced. He apologized for the delay in delivering this material to the Board and indicated that in the future, time-sensitive information would be delivered in advance of the due date.

Mr. Gresley asked that Mr. Knight, Director of Finance, address the Board. The OHA maintains automobile liability insurance on its vehicles. Currently, the policy is up for renewal with Housing Authority Risk Retention Group (HARRG). This group was formed in 1987 as a federal non-exempt company. It is owned by the housing authorities it insures, of which OHA is a member. In July 2004, HUD issued a waiver letter and gave approval to allow Housing Authorities to go directly to HARRG for services in lieu of the regular bid process. We tried to obtain bids from other insurance companies and only received bids from two other firms. With the \$5M liability limit we were requesting, we could anticipate an annual premium of \$850,000 to \$900,000. HARRG is presently offering us the same insurance for \$682,225. It is recommended that the Board authorize the Executive Director to renew the automobile liability insurance policy for the period March 5, 2007 to March 5, 2008.

Discussion ensued. Commissioner Pittman asked about the difference in premium between last year and this year. Mr. Knight responded that it was an increase of approximately \$300,000. There had been a claim paid last year and the insurance company had settled for close to the policy limit. Mr. Knight further shared that this premium will probably continue for two years and if we maintain a good claims record, it will decrease.

Commissioner Pittman asked for confirmation that the liability amount will be remaining at \$5M. Mr. Knight concurred.

Commissioner Pittman moved approval of the item. Commissioner Brown seconded the motion and the vote was unanimously carried.

VII. Recognition of people wishing to address the Commission.

The first speaker was Linda Beavers of Oakland. On November 9, she received a letter from her employer that she had been terminated from her position. She went to OHA and spoke with Mr. Boyd to inform him she was no longer employed. She has paid her current rent and requested a rent reduction and nothing has happened as of this date.

Chair Mayne asked if she had been talking with anyone. Ms. Beavers stated she had been going over to OHA for the past three or four months. She stated that she has turned in all documentation and nothing has been done.

Mr. Gresley asked Ms. Beavers if she had contacted Janet Acevedo-Ogu (Director, Administrative Offices). She informed the Board that Ms. Acevedo-Ogu had not responded. Chair Mayne informed Ms. Beavers someone would handle her inquiry this evening. Ms. Beavers was then referred to Ms. Acevedo-Ogu.

The next person to speak was Tina Moses. She informed Chair Mayne that her question had been answered throughout the session and she no longer needed to speak.

Chair Mayne then noted that there were a number of speakers concerning Mandela Food Cooperative. Since there were a number of people, he informed the group that the subject matter would be limited to 20 minutes. There were seven speakers, so each would have three minutes to speak.

The first person to speak on this topic was Kate Gibsen. Ms. Gibsen asked that the Board not approve the lease with the 99 Cents Only Store when it comes before them. She identified herself as a resident of West Oakland and a union organizer for SEIU 1877. Every day she works to help workers who are struggling to make a livable wage, affordable health care and a job they can be proud of. It is extremely disappointing to her that a publicly funded space in the Mandela Gateway Community is considering leasing to the 99 Cents Only Store which is known as a large corporation, pays workers minimum wage, and does not provide benefits to its employees. There is a good alternative, Mandela Foods Cooperative, a locally owned business and it provides its workers with \$11.00 per hour wages and benefits and provides work for residents of West Oakland.

The next person to come before the Board was Zoleka Boissiere. She identified herself as a West Oakland community resident for over nine years but has been in Oakland most of her life. She supports Mandela Foods Cooperative because of the experience,

wages, benefits, and because a locally owned business will help the youth with job training in the community.

The next person to speak was Yvonne Smith. She has been a resident of West Oakland for 60 years. Ms. Smith advocated the need for a grocery store and indicated that there has never been a full range grocery store on that side of Cypress. Ms. Smith does not drive; she walks or has to take two busses. She wants a full grocery store.

Charlene Weddenburn was invited to speak. She lives, born and raised in West Oakland. She implored the Board to consider a grocery store. She strongly urged the Board not to consider the 99 Cents Only Store as a tenant.

Karen Young was invited to speak but had departed from the premises.

Chair Mayne then invited Phoebe Rossiter to address the Board. She identified herself as a resident of West Oakland and agrees with what has already been stated. She went on to strongly encourage that the Board remember the words of what OHA really believes in giving back to the community and employing the local residents. She believes this can be done with Mandela Food Co-op. She reiterated that years ago when Bridge Housing first began the project they promised a local African American theme similar to the Fruitvale district having a Latino theme, a big drugstore in the retail space, and asked for people's wishes. They seemed to conduct a thorough investigation. She does not want to see a 99 Cents Only Store in the space.

The last person to speak on this topic was Kenna Stormogipson. Photos were distributed to the Board for review. She addressed the Board stating that this was the third visit of parties interested in seeing a food market at Mandela Gateway. They have collected over 800 signatures of people who live in West Oakland to support this endeavor. She indicated she is a science teacher at Oakland Tech. Currently, the class topic is nutrition and she has found that none of her students from the Lower Bottom can purchase healthy choices in their neighborhood. She pointed out the photos that depict the same neighborhood from the 1930's and 1940's, showing 7th Street as a vibrant community filled with local neighborhood businesses. Currently, Esther's Orbit Room is still located there. And six months ago, a coffee shop opened called Revolution Café. She feels that bringing a market to Mandela Gateway is an opportunity to also make a statement about the 7th Street Corridor. She urged the Board, Bridge Housing, and the community to come together to work towards creating a viable shopping community in this West Oakland neighborhood.

Commissioner Pittman indicated that he favors a grocery store going into the neighborhood and hopes that the group understands what the Board can and cannot do on this subject. He indicated he receives 20-25 e-mails per day from the Lower

Bottom about this subject. He said that Ms. Stormogipson and Mr. Will Larson keep him well informed and that the other individuals sending e-mails are unnecessary.

Chair Mayne informed the group that if and when it is brought to the Board, there will be a briefing and it will be on the agenda and individuals may speak further on the subject at that time.

Commissioner Lee asked what happened to the market that had previously been in the neighborhood. No one knows the answer. The owner just closed the door and departed.

### VIII. Written Communications

Mr. Gresley asked the Board to look in their packet at the copy of the letter transmitted to City Council members De La Fuente, Brooks, Kernighan and John Russo, City Attorney, providing an update of citizen complaint line information.

Commissioner Pittman asked about the enforcement of OHA lease and house rules, inquiring how OHA was performing in this area. Mr. Gresley explained that Ms. Cossey and staff worked with attorneys, put in place a new lease and house rules; deconstructed the process and now feels that the job performance is more efficient. There are still some training and performance issues to work on. Notices are now going out, eviction process is working, and cases that go to court are meeting with some success.

Commissioner Lee asked if the system that is now in place can handle evictions and other associated matters to the satisfaction of the Board. Mr. Gresley indicated that they haven't achieved total satisfaction on the arrangement but they are working toward it. Commissioner Lee indicated that he felt the report didn't target some of the actual areas and show a tracking of the number of trouble spots that could be monitored. Mr. Gresley invited Commissioner Lee to meet with him separately to discuss the issue further so that he and the staff could develop some specific ways to address Commissioner Lee's concerns.

Commissioner Pittman replied to Commissioner Lee's comments. Commissioner Pittman doesn't feel the report reflects to the City what we're doing on a more concentrated level. He feels that when Commissioner Lee and he sit down with Mr. Gresley they can come up with a way to create the information that will show more detail to the City about the activity of the OHA.

IX. Executive Director's report regarding matters of special interest to the Commission occurring since the last meeting of the Commission.

Mr. Gresley asked if there were any questions on the Monthly Status Report, dated March 21, 2007 provided to the Board in its initial packet. Chair Mayne indicated there were no questions.

Mr. Gresley invited Mr. Neville to come forward and share with the Board an award presentation from the California Redevelopment Association, of which the City of Oakland through its Redevelopment Agency is a member. The award was primarily to the City of Oakland for their role in funding the \$3M project but as OHA and EBALDC were all partners in the project, all participating entities received recognition for Phase I of the Lion Creek Crossings project.

Mr. Gresley addressed the Board regarding an issue from last month's meeting when a tenant came in to voice a complaint about her rent and her daughter. The situation is about a rule that if a person needs a live-in attendant, the person identified can only be approved if it is someone new to the household. Her daughter has finished college and as long as she was a student, her income was exempt from calculating rent. She finished college and her income is no longer exempt and the rent went up. The tenant came in and asked that her daughter be considered her live-in attendant. Her daughter is not eligible to be her live-in attendant. It is hard and fast rule and OHA has explained the rule to the tenant.

Discussion ensued and Mr. Gresley affirmed that the daughter can still continue to live in the household but her income is not exempt from the rent calculation. This case is being properly handled.

Mr. Gresley acknowledged Bronwyn Hogan concerning the news release about home ownership. We have accomplished so much in our market and there is hopefully more coming. We also have Section 8 vouchers that we will be able to use to put public housing tenants into home ownership.

Mr. Gresley provided an update for those who had not attended the recent conference in Washington, D.C. He reported on the 2007 HUD funding and that it is pretty much set. When HUD approves their capital fund, they hold some money back to award later to high performers. As an MTW Housing Authority, we are eligible. We have just received a letter indicating we will be receiving an additional \$600,000. The 2007 funding in public housing will be around 83%. The capital fund and Section 8 funding is going to be at about the same level or a little bit less than in 2006. With regard to 2008 Section 8 funding, there is a big issue. We are probably at level Section 8 funding at this point.

In closing, Mr. Gresley indicated that he will be contacting Commissioner Lee to schedule a scattered site development committee meeting and Commissioner Hartwig to schedule a budget committee meeting.

Commissioner Pittman brought up that while in Washington the Katrina Bill was passed and that some of the MTWs would be subject to changes in funding. Mr. Gresley addressed the issue with the information he had available to him. **(1002)**

Discussion arose concerning the upcoming regional NAHRO Annual Spring Conference to be held in Monterey, May 5-8, 2007. The item will be included on the April agenda for authorization of Commissioners who would like to attend.

X. Reports of Commission Committees.

Commissioner Lee inquired about e-partner implementation, the length of time data conversion has been taking, and what were the benefits of the product. Mr. Gresley asked Kathleen Keller, Director of IT to respond. Ms. Keller indicated that they are in the process of introducing the group of super users from Property Operations and Leased Housing to the software. Super users include mid and senior level staff who understand the administration and policy of the Housing Authority. Training will occur the week of April 9 and April 16. Ms. Keller continued to address Commissioner Lee's concerns about using the software and making it accessible. It was determined that the conversation could continue offline in the best interest of time and subject matter.

Before moving on to the next item on the agenda, Mr. Gresley distributed a report of upcoming meetings and a monograph written to accompany a book he recommends, "Good to Great in the Social Sectors - A Monograph to Good to Great."

XI. Announcements by Commissioners.

Commissioner Lee provided a verbal report concerning the scattered site committee. This year the committee suggests taking an additional look, without hiring an architect, to see what more can be done with the fund to perform property preservation. There are limited capital funds and he would like to discuss ways to better effect property preservation at our scattered property sites.

Commissioner Pittman reported that the evaluation of the executive director will be handled in closed session.

Commissioner Hartwig provided details of the second budget committee meeting that had been held several weeks ago. There was a draft presented that provided the details and results.

XII. Adjournment to Closed Session.

The regular meeting was adjourned at 8:16 pm to closed session.

**Closed Session**

The Oakland Housing Authority Board of Commissioners convened in Closed Session at 1619 Harrison Street, Oakland, California on the above date. Chair Moses L. Mayne, Jr. presided and called the meeting to order at 8:23 p.m. regarding the following:

- Conference with its real estate negotiators regarding acquisition of real property pursuant to California Government Code § 54956.8 (price and payment terms).  
Property: 827 - 70th Avenue, Oakland, California  
Owner: Emma Norflis  
Negotiating Parties:  
Owner: Emma Norflis and Michael Norflis  
Oakland Housing Authority: Philip Neville and Steve Hoppe.
- Conference with legal counsel pursuant to Government Code § 54956.9(a) regarding City of Oakland v. Oakland Housing Authority, Alameda County Superior Court, Case No. RG07311262.
- Conference regarding the performance evaluation of the Executive Director pursuant to California Government Code § 54957.

Attendance

Commissioners present were Joe L. Brown, Gregory Hartwig, Alfred Lee, Robert J. Pittman, Jr., and Chair Moses L. Mayne, Jr. Commissioners Ramon J. Terrazas, Jr. and Jacqueline M. Taylor were excused.

The Closed Session was adjourned at 10:37 p.m.

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Chair

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Secretary