

**MINUTES OF THE SPECIAL MEETING/ WORKSHOP SESSION  
BOARD OF COMMISSIONERS  
HOUSING AUTHORITY OF THE CITY OF OAKLAND  
HELD WEDNESDAY, APRIL 13, 2005**

The Oakland Housing Authority Board of Commissioners convened at 1619 Harrison Street, Oakland, California on the above date. Chair Moses L. Mayne, Jr. called the meeting to order at 6:40 p.m.

I. Roll Call

Commissioners present were Joe L. Brown, Robert J. Pittman, Jr., Richard E. Winnie and Chair Moses L. Mayne, Jr. Commissioner Jacqueline Taylor arrived late. Commissioner Alfred Lee was excused and Commissioner Ramon Terrazas was absent.

II. Modifications to the Agenda

There were no modifications to the agenda.

III. Report from the Legal Counsel regarding final decisions made during the Closed Session on March 29, 2005.

Legal Counsel Jennifer Bell reported that there were no final decisions made during the Closed Session.

IV. New Business

A. Briefing on and discussion of the Authority's Proposed Making-Transitions-Work (MTW) Annual Plan for the fiscal year ending June 30, 2006.

Mr. Jon Gresley, Executive Director, gave an overview of the draft MTW plan that was included in the Board packet. He gave credit to Sharon Harrison Cossey, Deputy Executive Director, and to David Lipsetz, Senior Policy Analyst, for putting a lot of their time into producing the draft and mentioned that there were minor changes related to a few policy issues.

He asked Sharon Harrison Cossey, Deputy Executive Director, to describe the plan further. Ms. Cossey said that staff will be analyzing policies during the year and will bring those to the Board in future workshops. She said that in the consolidated MTW budget, there were three funding streams: Operating Fund, Capital Fund and Section 8 Funds. She referred to changes on page 11 of the attachment to the plan, which pertains to verification procedures for Public Housing and Section 8. Discussion followed regarding audits of tenant files last year. HUD auditors reviewed 122 files and staff took action to verify income and assets. Ms. Cossey described the verification process that is required to meet the HUD rules. Discussion followed about simplifying the process and Ms. Cossey explained that the goal was to simplify the process and that

over time most Public Housing Authorities are interested in doing the same. Discussion then continued on the policy and rules for imputing income from assets.

Mr. Gresley passed out and referred to the utility allowance schedule to be included in the Public Housing Admissions and Continued Occupancy Policy as Appendix 8. He indicated that we will be using the same stove allowance for public housing as Section 8. He also indicated that under MTW the Authority can adopt its own schedule and plan for completing energy audits. He indicated that the draft plan should have added a statement that in the coming year the Authority will adopt a policy and schedule for energy audits.

Commissioner Pittman questioned language on page 21, item #3 of the Shelter Plus Care single room occupancy that is different from another section of the draft, page 113, item #5. Joseph Villarreal explained the reasons for the different wording and discussion followed.

Patricia Ison addressed the Board. She summarized the input that the Authority has received from the Resident Advisory Board (RAB) and said that the RAB's concerns were budget cuts and subsidy levels of the Section 8 program; capital improvements and work order procedures. Ms. Cossey referred to pages 43-44 of the draft which includes minutes from the RAB meeting. RAB members voiced the desire to decrease the frequency of verification to every three years. Policy in this area will be recommended to the Board at a later date.

Commissioner Taylor expressed her displeasure with the current recertification process and described what takes place during recertification. Discussion followed and there was also discussion regarding HUD inspection requirements and the number of units they must check.

Commissioner Pittman voiced his opinion about changes in recertification rules and discussion followed regarding rules for screening and simplifying the process; setting up protocol if the current rules for recertification are maintained.

B. Briefing on and discussion of the Authority's Proposed Making-Transitions-Work (MTW) Annual Operating budget for the fiscal year ending June 30, 2006.

Mr. Gresley described the environment in Washington and HUD's decision to switch funding from a fiscal year to a calendar year. He said that it appears that Public Housing will be funded at 89% and that Section 8 will be funded at 96% during the first six months of the fiscal year and that the second half of the year could get better or worse. He said that OHA was instructed to expect 93% of the most recent capital fund grant and that a Section 8 increase is projected, but we won't know for sure until it actually takes place. Mr. Gresley distributed a copy of an email that he received from HUD Assistant Secretary Michael Liu which announced that HUD is preparing to publish a proposed rule that will provide a new formula for Public Housing Operating Subsidy to more than 3,000 Public Housing Agencies nationwide.

Mr. Gresley passed out and reviewed a handout listing short term strategies adopted by the Board on February 7, 2005. Discussion followed, with reference to an \$11million Section 8 project reserve that OHA is eligible for as a one-time draw down. It was noted that it has not yet been received. Staff is working on getting the draw down expedited.

Mr. Gresley asked Director of Finance Stephen Knight to address the Board. Mr. Knight described the current fiscal situation. He said that most of the costs are in staffing. Leased Housing and Resident and Community Services have each lost one person and Facilities Management has increased staff by two persons. The budget included no cost of living adjustment (COLA) in salaries. If we were to include a COLA, one percent would equate to \$225,000. He said that he is trying to keep things the same to maintain the level of service, but he is concerned because it's the first time that OHA has had to dig so deep into reserves. Discussion followed on the large deficit, consistent rise in costs vs. decrease in funding from HUD and how to anticipate how OHA will operate after MTW ends in six years. Mr. Knight referred to page 20 of the attachment which was included in the Board packet, specifically, the Annual Plan Source section, Consolidated MTW Revenue Forecast for fiscal year 2006. Mr. Knight noted that the health insurance and PERS retirement are experiencing high rates of increase and that we should look at other options because OHA can not keep this up.

Mr. Knight said that HUD is heading toward project based/asset management models which will have drastic consequences for all public housing authorities and that at some point reserves will not be there. Improving income will not solve the problem because subsidies will be reduced and OHA will have to deal in some way with reducing expenses.

V. Recognition of people wishing to address the Commission.

There were none.

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

Mr. Gresley reminded the Board about the next Regular Meeting, which is scheduled for April 25<sup>th</sup>, 2005 at 7:00 p.m. It will have a Closed Session at 6:00 p.m. before the Regular Meeting. Mr. Gresley indicated that Ms. Cossey will staff the meeting as he will not be present on April 25<sup>th</sup>.

Mr. Gresley said that the next Special Meeting/Workshop is scheduled for May 11<sup>th</sup>, 2005 at 6:30 p.m. A Regular Meeting is scheduled for May 23<sup>rd</sup> at 7:00 p.m.

Mr. Gresley announced that employees have collected funds to purchase a bench with a brass plaque that has been ordered and will be dedicated to the memory of Stewart Hughes who passed away recently. The dedication will take place on May 17<sup>th</sup>, 2005 in the afternoon.

The new West District Office open house has been postponed to June 3<sup>rd</sup> at 3:00 p.m.

The Grand Opening of Mandela Gateway has been scheduled for June 10<sup>th</sup> at 10:00 a.m.

Chair Mayne requested a moment of silence for Commissioner Winnie's father who passed away recently.

VII. Adjournment

The Commissioners adjourned the meeting at 8:38 p.m.

---

Chair

---

Secretary