

MINUTES OF THE REGULAR MEETING
BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE
CITY OF OAKLAND, CALIFORNIA
HELD MONDAY, APRIL 23, 2007

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

The Oakland Housing Authority Board of Commissioners convened its Regular Meeting at 1619 Harrison Street, Oakland, California on the above date. Chair Moses L. Mayne, Jr. called the meeting to order at 6:10 p.m.

I. Pledge of Allegiance

Ms. Pamela Foster, Director of Human Resources, led the Pledge of Allegiance.

II. Roll Call

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

III. Report from the Legal Counsel regarding final decisions made during Closed Session on April 11, 2007.

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

IV. Modifications to the Agenda

Mr. Jon Gresley, Executive Director, withdrew one of the recommendations in Item C, the St. Joseph's Senior Apartments development developed by BRIDGE Housing Corporation.

Mr. Gresley also withdrew Item VII, the employment hearing for Herman Pecot and the closed session for the deliberation to determine the hearing decision.

V. New Business

A. Consideration of recommendation to approve payment to the Law Offices of Edrington, Schirmer and Murphy for eviction services rendered.

Mr. Gresley said staff has gone back through one of our legal contracts in order to settle an old invoice that goes back to FY 2005-2006. We are also trying to

make sure that we stay on the right side of our procurement requirements. We made efforts to reconcile some charges from the Law Offices of Edrington, Schirmer and Murphy for eviction services. The charges exceeded the purchase order at that time. Mr. Gresley indicated that Ms. Sharon H. Cossey, Deputy Executive Director of the Office of Property Operations, spent some time going through the invoices, and we owe the law firm a total of \$76,000.19. He recommended that the Board approve the resolution approving the payment and then called on Ms. Cossey for any questions the Board may have.

Commissioner Pittman asked if we have, for the future, a better handle on tracking these kinds of matters to have better estimates for the beginning of a fiscal year. Ms. Cossey believed that we do. She noted that it is sometimes difficult when a case starts in one fiscal year and concludes the following fiscal year. Commissioner Pittman recommended that in the future we should mention that to the counsels that the charges have to be rolled over to the next fiscal year, so that we are approving accurate numbers.

Commissioner Lee said about a year ago we had a workshop session on the procedure to handle eviction process. He asked for the status of that process. Ms. Cossey said that we rotated eviction cases among the four firms and have been clear on those rotations. She said we now have an extensive monitoring system to follow up on all of our eviction actions. Ms. Cossey noted our eviction procedures manual and the training process for all of our staff. Commissioner Lee asked if our working manuals are now complete, and how far down in the organization has the training been implemented. Ms. Cossey described the training process in the Office of Property Operations and stated that we are now at the point where we are ready to talk with our attorneys about the training we would like to have. Mr. Gresley clarified that training of our “staff” means housing managers. Ms. Cossey said that “staff” means housing managers, maintenance supervisors, as well as clerical and management aides, and some in our Police Department.

Chair Mayne asked that questions by the Board be strictly related to the item being discussed. He wanted the Commissioners to put any unrelated topics on the agenda for future board meetings. Commissioner Lee said he was concerned about the non-implementation of the training process even after our workshop session on it took place more than a year ago. He asked if there was any resource issue. Ms. Cossey said none and in fact we just approved four new legal contracts and we want to involve all of our law firms in some aspects. She added that we expect to train our staff within sixty (60) days. Commissioner Lee would like to have the eviction process put on the agenda.

Commissioner Pittman moved approval of the item. Commissioner Terrazas

seconded and the Board voted. Commissioners Brown, Hartwig, Mayne, Pittman and Terrazas voted yes. Commissioner Lee voted no.

B. Consideration of recommendation to award a contract for the comprehensive rehabilitation of 2170 E. 28th Street.

Mr. Gresley said we have committed to rehabilitate 2170 E. 28th Street as part of this year's plan. He said this was previously presented to the Board in June 2006. Mr. Gresley described the property and said it is going to receive extensive work and noted the scope of work to be done. The design was previously presented to the Board by the architect, from the firm of Muller Caulfield.

Mr. Gresley said that an Invitation to Bid was issued on February 13, 2007, and 121 contractors were invited to bid. Five bids were received on the due date of March 30, 2007. He said VN General Construction in Oakland submitted the lowest bid. However, its bid was unresponsive because it did not meet some of the requirements. That leaves Hung Construction, an Oakland-based firm the lowest responsible bidder with a bid of \$1,375,000. This amount compares favorably with the budget which is \$1,438,200. Mr. Gresley noted that Hung Construction is currently doing some work for us. He recommended that the Board award a contract to Hung Construction in the amount of \$1,375,000 to rehabilitate the property at 2170 E. 28th Street, Oakland.

After a brief discussion, Commissioner Pittman moved approval of the item. Commissioner Terrazas seconded and the Board voted. Commissioners Brown, Hartwig, Mayne, Pittman and Terrazas voted yes. Commissioner Lee opposed.

C. Proposed Award of Section 8 Project Based Assistance to two developments that have received City of Oakland funding. (One project withdrawn)

Mr. Gresley noted that the Board has authorized up to 500 units of Section 8 to be committed to projects that are awarded funding by the City of Oakland's Notice of Funding Availability (NOFA). Recently, the City awarded funds in this NOFA to two projects, both of which were on the agenda tonight. Mr. Gresley noted that staff will bring one withdrawn project back to the Board in a changed form at a future meeting. He called upon Mr. Joseph Villarreal, Deputy Executive Director for Program Administration, to present the details of the remaining project. Mr. Villarreal indicated that one project is being developed by a partnership between Christian Church Homes of Northern California (CCH) and Oakland Housing Initiatives (OHI) to develop the Harrison Street Senior Housing project, located at the intersection of Harrison and 17th Street on two parcels of land owned by the Authority.

Mr. Villarreal said that the City of Oakland awarded funding to this project. CCH-OHI is requesting project-based voucher assistance for 18 of the 73 units in the development. Commissioner Pittman commented it was a good move and thanked staff for the development of this project. Mr. Villarreal noted that the other project would be back to the Board for approval next month.

Commissioner Pittman moved approval of the resolution. Commissioner Brown seconded and the Board voted unanimous approval.

D. Resolution of participation – Employment Risk Management Agency (ERMA).

Mr. Gresley first called on Mr. Villarreal. Then he indicated that we are in the process of withdrawing from the California Housing Authority Risk Management Agency (CHARMA), but through that association and affiliation, we have been obtaining employee risk management services, and we wish to continue to retain that arrangement and that membership. We had that membership through CHARMA, and in order to continue our involvement with the Employment Risk Management Agency (ERMA), we need approval of this resolution.

Mr. Villarreal clarified that we pay a premium of \$165,000 for employee risk management services to ERMA, which had been omitted from the staff report. He said we would be withdrawing from CHARMA effective May 31, 2007 because we have determined that we can get our coverage cheaper elsewhere.

Discussion followed. Commissioner Pittman requested the Chair to add on the agenda the withdrawal of CHARMA in a future workshop meeting. Chair Mayne said yes. Chair Mayne asked whether the \$165,000 is the premium for CHARMA or ERMA. Mr. Villarreal said it was only for ERMA.. Then Chair Mayne asked what the premium was for CHARMA. Mr. Villarreal did not have that information but asked Mr. Knight. Mr. Knight said that we get a variety of coverage through CHARMA, and ERMA is one of them. He noted that the total premium for CHARMA last year was \$520,000. Chair Mayne asked if we are paying CHARMA the same amount of \$165,000 that we pay to ERMA. Mr. Knight said no. We got the coverage through CHARMA. Then, Chair Mayne asked for the amount we are going to pay directly to ERMA. Mr. Knight said \$165,000 or a few dollars less.

The discussion continued. Commissioner Hartwig asked if the \$165,000 premium was to secure a policy that will provide coverage of up to a million dollar worth of claims. Mr. Knight said it was a premium that covers a variety of services that we get through this coverage. Mr. Gresley said it covers up to a

million dollar. Commissioner Hartwig indicated that the \$165,000 premium is pretty high for a million and asked if it was per occurrence. Commissioner Pittman asked if there is a deadline on this for approval. Mr. Villarreal said our coverage with CHARMA ends effective May 31st and this will expire as well. He said we would be able to do this next month. Commissioner Pittman then made a motion to table this to next month after the analysis is provided. Commissioner Lee seconded and the Board voted unanimously to table the item until next month.

E. Consideration of recommendation to adopt the 2008 MTW Plan.

Mr. Gresley indicated that staff had previously provided a thorough briefing of the proposed MTW Plan for fiscal year 2008. He called upon Mr. David Lipsetz, Senior Policy Analyst in the Executive Office, for questions the Board might have. He asked the Commissioners if they wanted Mr. Lipsetz for a report, or if they just wanted to ask questions. Chair Mayne indicated he would like a report from Mr. Lipsetz. Mr. Lipsetz noted and discussed five items in the Plan. He noted that we are required to file an annual Moving to Work plan by May 1st. He talked about the eligibility process for Public Housing and Section 8, advance local fund reserves, tenant behavior initiatives, capital planning, and scattered sites. Mr. Lipsetz indicated he had not been able to develop a page of acronyms but promised to develop it for the Board in the near future.

Discussion ensued. Commissioner Pittman thanked staff for the changes made in the Plan. Commissioner Hartwig's questions referred to the capital funds. He noted on page 23 the increments in FY 2008 expenditures underway. He was not sure he completely understood how that was going to affect the \$10 million with the capital fund subsidizing low income housing. He asked if that number was accurate. Mr. Lipsetz said those monies are intended to be spent. He said we were looking to capital fund monies to be expended in this coming fiscal year. Mr. Gresley directed the Commissioner's attention to the page showing the Sources of Funds. He said we should find the various increments of capital fund and also local fund. He said that looking at capital fund in 2008, it looks to be about \$15 or \$16 million altogether. Mr. Gresley said some of that money was coming from prior years.

Commissioner Hartwig said he was referring to the incremental subsidy to the low income housing business. He said he recalled that last time this was discussed, low income housing in aggregate was being subsidized by \$20 million. He said \$5 million was to subsidize operating expense, partly coming out of the capital fund and partly coming out of interest. Then, he said we have \$5 million going into the increment in reserves because we shifted over to the

AMPS; we have \$10 million that was actually capital expenditures and was going into capital-type projects. Mr. Gresley pointed out that the budget process is only part way and this is the macro budget which gives us the larger parameters within which we have to make the AMP budgets fit. He said the Budget Committee is going to deal with these details, and we are not asking the Board to approve the final budget at this time.

Commissioner Lee wanted to have workshop in the future about behavioral problems and asked for a report and a timeline on rent structure. Mr. Gresley indicated he hoped to have a recommendation on changing the rent structure before the end of the summer. Chair Mayne would like to have a workshop before the summer. Mr. Gresley suggested that we provide a status report at the next meeting and to have a direction based on the report. Commissioner Hartwig said we need a workshop about the public housing business. Commissioner Pittman suggested that when we get into the schedule under Written Communications, we schedule a workshop. Also, he moved to approve the motion. Commissioner Terrazas seconded. Chair Mayne called on a speaker on the item, Mr. Jesus Munoz before discussion.

Mr. Munoz, representing the Bay Area Legal Aid (BALA), indicated that they submitted their comments on April 11, 2007 to Mr. Lipsetz for the Annual Plan. Their comments included specifics on the new Violence Against Women Act, amendment language, access policies, as well as on Section 3 requirements. He expressed concerns about the changes they submitted last year to the Annual Plan that were not incorporated into this year's Plan. In addition to that, the changes mandated by the new violence against women act that they suggested last year have not been included in the currently proposed plans. He also noted that their suggested changes to the ACOP Policy and the Administrative Policy were not incorporated into the draft plans. However, he commended the Authority for its progress on developing a comprehensive language access policy. Mr. Munoz would like to encourage staff to integrate the current language plan into the Administrative and ACOP Plans. Mr. Munoz said that for any specific questions we may have, we can contact his colleague, Ms. Lisa Greif at (510) 250-5211.

Ms. Bell commented that when we were revising the lease last summer, we have incorporated the provisions of the Violence Against Women Act in the lease; and Ms. Lisa Greif from BALA and Ms. Kathryn Bishop from the Law Center for Families seemed satisfied. Chair Mayne also thought that Ms. Greif and Bishop were happy with the incorporation of their comments. Ms. Bell said she would be glad to talk to Mr. Lipsetz about the statutory requirements.

Commissioner Lee asked for the financial implication for implementing the

Violence against Women's Act. Ms. Bell thought there really was not much of a financial cost. Commissioner Hartwig asked for the most appropriate way for the Authority to address that issue. Mr. Gresley indicated we have no choice but to implement the law and then he provided background information by citing the Rucker case and the "One Strike Policy." Commissioner Lee personally believes that we have not fully utilized the MTW status and encouraged staff to fully utilize it next year.

Chair Mayne asked the Board to vote for the motion. The Board voted unanimous approval.

VI. Recognition of people wishing to address the Commission.

The speaker was Mr. Robert Chatman, Sr., a Section 8 tenant. Mr. Chatman complained that he has not been reimbursed with \$1,904 despite sending some papers to the Authority. He also said he was behind in paying his rent of \$645 because he was only earning about \$800 a month. Chair Mayne noted that we could not address the issue now because it was not on the agenda. We could only ask questions and refer them to staff. Commissioner Pittman explained the reason we could not address the issue was because of the Sunshine Law and the Brown Act. Mr. Chatman asked how he could have his issue be put on the agenda. Mr. Gresley said we will get a written explanation for any decisions in his case and the exact accounting for any credit.

VII. Employment Hearing – Appeal of termination decision for Herman Pecot

- a. Hearing
- b. Adjourn to Closed Session

This item was withdrawn.

VIII. Written Communications.

Mr. Gresley said that some of the Commissioners will be going to Monterey to attend the Pacific Southwest Regional NAHRO conference in May. He also said we received notification that we would be receiving awards there. The awards will be formally presented to us at the summer conference in Chicago on July 20, 2007. One award is for the Palo Vista Senior Community Farmers Market and the other one is for the Lion Creek Crossings Mixed Income Housing.

IX. Executive Director's report regarding matters of special interest to the Commission

occurring since the last meeting of the Commission.

Regarding the Commission Meeting Schedule, Commissioner Pittman asked if we could take an August recess. Mr. Gresley said he also would like to take an August recess. However, we only get the PHAS certification data for HUD in July and it must be turned in by the end of August. Commissioner Lee would like the Chair to appoint a rules committee to discuss items that are coming up. Chair Mayne prefers the way it is right now.

Commissioner Lee asked for a small group discussion because he would like to talk about many issues like rent structure and development issues. Commissioner Pittman suggested a mid-month meeting in July. Chair Mayne commented that even though we talked about having one meeting a month, we could always have a mid-month meeting if it is needed. Commissioner Hartwig agreed with Chair Mayne. Commissioner Lee thought in our bylaws, there is a provision that two or three board members could set their own rules committee and include items to the agenda packet. While Ms. Bell was checking the bylaws, Mr. Gresley said we could have a mid-month meeting in May and we could discuss the withdrawal of CHARMA. We could also have a workshop on behavior. He further stated that we could plan a session on the business of public housing in July after the budget.

Ms. Bell, in response to Commissioner Lee's question, said there is a provision in our bylaws about special meetings. Ms. Bell read the provision in Section 3 – Special Meetings, which is as follows. “When deemed expedient by the Chairperson of the Commission, or upon the written request of two members of the Board of Commissioners, the Chairperson shall call a special meeting of the Commission for the purpose of transacting any business designated in the call.” Then Ms. Bell said that the call for a special meeting may either be delivered or mailed to each member of the Board at least 48 hours in advance. She also said that a special meeting is intended for an emergency situation.

Mr. Gresley, in response to the rent structure, said the analysis for a new rent structure is going to be complex because of the requirements under MTW for the Board to carefully consider the ramifications of changing the system for setting rents. Commissioner Lee said it would be better to receive information or reports from staff rather than having some meetings. Commissioner Hartwig was in agreement with Commissioner Lee's idea. He said that if the Commissioners communicate back and forth they might be able to handle topics at the board meeting with a ten-to-fifteen-minute discussion. Ms. Bell said that communication from staff to the Commissioners is acceptable; however, the Commissioners cannot communicate among themselves about a topic on the agenda. Commissioner Pittman is also agreeable with getting reports from staff.

Chair Mayne asked the Commissioners if they have any specific subject or some information for the May 9th meeting. Mr. Pittman said CHARMA. Mr. Gresley said that might be done by a staff report and a meeting may not be needed. Commissioner Lee would like discussion in Closed Session about the training on the eviction process on May 29th. Mr. Gresley said we could plan a Closed Session at the end of May and go through the statuses of the actual cases. Commissioner Lee would like to review the whole process of eviction.

Commissioner Lee also talked about our Information Technology Department (IT) (formerly MIS) situation and said he just gave Mr. Gresley a report. Mr. Gresley indicated that the report given to him was not an IT issue. Instead, it was an issue that has something to do with form letters. He said he would further take a look at the issue. Commissioner Lee noted that we are spending much money on IT issues. Mr. Gresley suggested to the Chair that if the Commissioners have questions about IT that they send them to him via email, and we will address the questions in the form of a report.

Mr. Gresley provided the Commissioners with copies of our press releases that were sent to the elected officials and few of the appointed professionals in the City of Oakland. He also said that we are sending these to a number of people that we come in contact with. Commissioner Pittman complimented Ms. Bronwyn Hogan, Senior Communications Manager, Executive Office, for the press releases. Commissioner Terrazas asked if the press releases were also sent to the newspapers. Ms. Hogan said yes in this case. Commissioner Hartwig commented that the press releases are excellent because they provide truthful information. He further added that we should focus our efforts to achieve a path whereby the Oakland Housing Authority must be respected and supported by the City of Oakland. Commissioner Lee commented that the press releases should be in "PDF" and put on our website. Ms. Hogan said they are in "PDF" and will verify if we could put them on our website.

X. Reports of Commission Committees.

Commissioner Hartwig said that the Budget Committee members met on April 16, 2007. Their meeting was focused on macro-numbers for HUD requirements. He said the budget would be the Authority's operational financial management document. At their next committee meeting, they will focus on maintenance, properties and tenant behavior. Commissioner Hartwig indicated the complexity of putting the budgets together because of the reorganization of the AMPS. He complemented staff for their hard work.

Commissioner Lee said that in their Development Committee meeting, their discussion was focused on the scattered sites. Their plan is about property preservation. He also talked about State 6 and State 12, and he also noted that the Authority has received

HUD's approval for the demolition of Tassafaronga.

XI. Announcements by Commissioners.

There were none.

XII. Adjournment to Closed Session.

The regular meeting was adjourned at 8:10 p.m. 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 8:30 p.m. regarding the following:

- Conference with Labor Negotiators pursuant to Government Code Section 54957.6.
- Conference regarding the performance evaluation of the Executive Director pursuant to California Government Code Section 54957.

Attendance

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

The Closed Session was adjourned at 10:42 p.m.

Chair

Secretary