

MINUTES OF THE REGULAR MEETING
BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE
CITY OF OAKLAND, CALIFORNIA
HELD MONDAY, APRIL 25, 2005

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 6:10 p.m. regarding the following:

- Conference with Legal Counsel – Existing Litigation pursuant to Government Code §54956.9.
- Evaluation of the performance of the Executive Director of the Oakland Housing Authority pursuant to California Government Code §54957.6.

Attendance

Commissioners present were Joe L. Brown, Jacqueline Taylor, Ramon J. Terrazas, M.D., Richard E. Winnie and Chair Moses L. Mayne, Jr. Commissioners Alfred Lee and Robert J. Pittman, Jr. were excused. The Closed Session was adjourned at 7:05 p.m. to a regular session.

Regular Session

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 7:12 p.m.

I. Pledge of Allegiance

II. Roll Call

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

III. Report from the Legal Counsel regarding final decisions made during the Closed Session.

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

IV. Approval of Minutes: Regular Meeting of March 29, 2005 and Special Meeting of April 13, 2005

The minutes were unanimously approved as submitted.

V. Modifications to the Agenda

There were no modifications to the agenda.

VI. New Business

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

Deputy Executive Director, Sharon Harrison Cossey, provided an overview of the FY 2006 MTW Plan, noting that the Plan was previously discussed during both the March 29th board meeting and the April 13th workshop. There were no substantial changes to the Plan from previous discussions; neither were there any significant policy changes from the prior years.

Ms. Cossey noted that there were two minor changes in the public housing Admissions and Continued Occupancy Policies and Section 8 Administrative Plan. These changes were essential to meet HUD income verification and flat rent requirements, thereby mitigating the possibility of sanctions. Ms. Cossey recommended approval of the FY 2006 MTW Annual Plan. Commissioner Terrazas moved approval of the resolution. Commissioner Brown seconded and the Board voted unanimous approval.

B. Consideration & approval of the Authority's Proposed Making-Transitions-Work (MTW) Annual Operating Budget for the fiscal year ending June 30, 2006.

Deputy Executive Director, Sharon Harrison Cossey, gave a brief overview of the FY 2006 MTW Annual Operating Budget. Ms. Cossey noted the overall budget of \$197.24 million has a revenue shortfall of more than \$7 million: 1.2 million in Public Housing Operating costs and 5.9 million in the Section 8 Voucher Program. OHA will meet the shortfall by utilizing Section 8 and local reserves.

Ms. Cossey summarized that the budget represented maintenance of effort, with funds set aside for comprehensive capital improvements for six scattered sites, a non-federally funded six-plex and four non-federally funded single family homes.

Ms. Cossey called upon Mr. Stephen Knight, Director of Finance to provide additional detail on the budget. Mr. Knight described the Housing Authority's fiscal situation as grim and that staff is not confident in the income figures in the budget because HUD is continually changing its funding methodology. Mr. Knight emphasized the continued deficit in the Public Housing Program. He noted that HUD uses a formula to calculate the maximum allowable expense level (AEL) per unit month (PUM) for operating subsidy. For OHA, the AEL is \$519, 25% less than the Authority's actual costs of \$652 per unit per month. Despite the drop in Section 8 revenue, Mr. Knight indicated that the Section 8 program is projected at a break-even point.

After discussion, the Board requested staff to continue to plan and recommend alternative ways for the Authority to be economically viable. Acknowledging that staff

would continue to do so, Ms. Cossey pointed out that the Authority created California Housing Initiative (CAHI) as one prospect for providing an additional revenue stream.

Commissioner Taylor moved approval of the budget. Commissioner Terrazas seconded, and the Board voted unanimous approval.

C. Consideration and approval of recommendation to extend the contract for the performance of a Physical Needs Assessment (PNA) for the third and final phase of Authority properties.

Ms. Cossey called upon Mr. Roderick Roché, Director of Facilities Management, to provide a background of this item. Mr. Roché recognized the presence of two members of the consultant team, Dan Sandall of the DLR Group and Efrén Gutierrez of Gutierrez Associates, who were available to address any concerns of the Board. Mr. Roché recalled that on April 25, 2004, the Board approved the execution of a contract with the DLR Group/Gutierrez Associates for the PNA Phase I with the caveat that extensions to the contract would be considered for Phase II and III. Subsequently, in October 2004, the Board approved a contract amendment for Phase II. Phase I is complete and Phase II is 95% complete. Staff is satisfied with the results and is now requesting to proceed with PNA Phase III.

Phase III includes 14 sites and 1030 units at a cost of \$122,030. Ms. Cossey explained that Phase III includes many of the Authority's largest sites and scattered sites where renovations have been made within the last ten years such as Lockwood, Campbell, Palo Vista and Peralta Villa. Ms. Cossey clarified that Physical Needs Assessment does not cover the 307 public housing units in the four mixed-finance HOPE VI developments: Mandela Gateway, Chestnut Court, Linden Court, and Coliseum Gardens. It also does not cover the 142 units undergoing rehabilitation at Lockwood Gardens. The PNA will cover a total of 263 sites, comprising 2859 housing units.

In response to Commissioner Taylor's question if the units included in Phase I were the most difficult properties, Mr. Roché stated that they were the scattered site properties with highest priorities in the Authority's previous Five Year Annual Plan. Ms. Cossey added that Tassaforonga was included in the first phase because the Authority knew that a physical needs assessment would be needed in order to apply for a HOPE VI grant. Ms. Cossey notified the Board that Mr. Roché was scheduled to provide the Board with a briefing on the findings of the PNA, Phases I & II at the May 11 Workshop along with information on site renovations included in the FY 2006 MTW Plan.

Commissioner Winnie moved approval of the recommendation. Commissioner Taylor seconded, and the Board voted unanimous approval.

D. Consideration and approval of election of Ms. Marji Shaw to be a member of the Board of Directors for the Hotel Oakland Housing Development Financing Corporation.

Ms. Cossey recommended that the election of Ms. Marji Shaw for a vacancy on the Board of Directors for the Hotel Oakland Housing Development Financing Corporation (HDFC) be approved by the Commission. Ms Shaw has served on both OHI & KHI boards.

Commissioner Winnie said that while he knows Ms. Shaw and believes that she is well qualified for the appointment, he was concerned that the Commission was again being asked to take an action without adequate information. With respect to the Hotel Oakland HFDC, Commissioner Winnie asked if there were annual reports, minutes to board of directors' meetings or financial reports that could be brought to the Authority's Board for review. Ms. Cossey replied that the Hotel Oakland Housing Development's Board is required to meet once a year and that the organization serves a function under the federal and State law as a pass-through entity. Ms. Cossey is not aware if the organization has an annual report.

Commissioner Winnie moved to appoint Ms. Shaw to the Hotel Oakland Board provided that the Executive Director or a representative of that Board advises the Commission at the next commission meeting on the activities of the Hotel Oakland Housing Development's Corporation. Commissioner Terrazas seconded, and the Board voted unanimous approval.

VII. Recognition of people wishing to address the Commission.

There were none.

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

Chair Mayne asked for Ms. Cossey to address the correspondence that the Board was given on attending the summer NAHRO's convention. Ms. Cossey encouraged all of the Commissioners to register as soon as possible to take advantage of the early-bird registration discount. Since the conference is in San Francisco, no travel is involved. Therefore, she did not believe Board action was required for registration.

Commissioner Taylor asked if an exception could be made for her to stay in San Francisco because of the difficulty resulting from her mobility impairment. Ms. Cossey answered that reasonable accommodations could be made for Commissioner Taylor.

IX. Reports of Commissioners

Commissioner Taylor requested an update on the planning for the Tassafaronga HOPE VI application and specifically asked if residents would be displaced. Ms. Cossey indicated that the Tassafaronga application would be an agenda topic for the May 11 Board Workshop. She emphasized that the Authority is currently involved in an application process involving residents and the surrounding community; specifics on the Tassafaronga application have yet to be worked out. Moreover, certain details, such as the timing for any demolition, would be detailed further should the Authority be awarded a HOPE VI grant.

Ms. Patricia Ison, Director of Resident and Community Services, announced the calendar for additional meetings with residents and other interested parties concerning Tassafaronga; on May 2005, the primary agenda topic is relocation.

X. Adjournment

The Commissioners adjourned the meeting at 7:50 p.m.

Chair

Secretary