

MINUTES OF THE REGULAR MEETING
BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE
CITY OF OAKLAND, CALIFORNIA
HELD TUESDAY, MAY 29, 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. Acting Chair Robert J. Pittman, Jr. presided in the absence of Chair Moses L. Mayne, Jr. He called the meeting to order at 6:03 p.m.

I. Pledge of Allegiance

Mr. Joseph Villarreal, Deputy Executive Director for Program Administration, led the Pledge of Allegiance.

II. Roll Call

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

III. Report from the Legal Counsel regarding final decisions made during Closed Session on April 23, 2007.

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

IV. Approval of Minutes:

Commissioner Hartwig noted the last sentence on the first full paragraph on page 4 of the minutes of the Special Meeting of April 11, 2007. He said it was useful to have some delineation of the answer from Mr. Gresley. He also said there were a couple of other items that should be embellished a little bit. Mr. Gresley said we have to listen to the recording to capture what was said and asked that we table these minutes for the next meeting. Acting Chair Pittman noted an occasion when he walked out of a meeting and there was no explanation about it on the minutes. Commissioner Lee thought we have a new policy that the minutes have to be brief. Mr. Gresley said we have attempted to shorten the minutes and just capture the essence of the discussions for the record. However, he said, commissioners felt we were missing some of the discussions every time we tried to shorten the minutes. On action minutes, however,

we would just indicate the motion, the vote, and any action taken.

Commissioner Lee asked for the current status of the MP3 file being on-line. Mr. Gresley said we have noted at the beginning of our minutes that we are not putting them on-line, but anyone can request a copy, and we will send them by e-mail. Acting Chair Pittman said he was going to ask Chair Mayne to appoint a committee to review the bylaws at the next meeting, which would include this. Mr. Gresley indicated that copies of the bylaws were just given to the Commissioners. He said we have included the rules that the Board had adopted in 1988. Those rules have not been included in the bylaws previously distributed. They are now attachments to the bylaws.

Commissioner Hartwig also wanted staff to take a look at the sentence at the top paragraph on page 6, which reads, "Commissioner Hartwig indicated that it would be better for us to spend less money" As he recalled he was saying that administrative costs were rising simultaneously with funding being cut.

V. Modifications to the Agenda

Commissioner Brown thanked Ms. Patricia Ison, Director of the Office of Property Operations, and her crew for doing a good job of repairing a fence. Acting Chair Pittman made an announcement that Mr. Joseph Villarreal was appointed President of the NAHRO Pacific Southwest Region. He also noted that Chair Moses L. Mayne, Jr. has been voted Member-at-Large for the Pacific Southwest Region. Acting Chair Pittman also noted the two awards we received and called on Mr. Gresley to provide information about them.

Mr. Gresley said that at the NAHRO Conference in Monterey a couple of weeks ago, we received two awards, and the actual plaques would be given later this summer at the Chicago NAHRO National Conference. However, the Region gave a plaque and Mr. Gresley called upon Ms. Sharon H. Cossey, Ms. Patricia Ison and Mr. Carel Duplessis to receive the award. Mr. Gresley said Misses Cossey and Ison and Mr. Duplessis share in the "kudos" for the Farmers Market Program at Palo Vista. He continued saying the other award was for Lion Creek Crossings Mixed Income Development, and asked Mr. Phil Neville to join the group. The plaque was presented by Acting Chair Pittman.

Mr. Gresley called on Ms. Judy Monnier, Finance Management Analyst, to receive the other award. Mr. Gresley said on May 5th, the Authority was recognized by PG&E's "Flex Your Power" as a leader in energy efficiency, and received top honors. He indicated that Ms. Monnier worked on submitting our application. Acting Chair Pittman presented the plaque to Ms. Monnier.

VI. New Business

A. Consideration of recommendations for procurement of insurance coverage.

1. Briefing on Insurance (CHARMA, HARRG and ERMA) Relationships for the Oakland Housing Authority.

Mr. Gresley said that back in the mid 1980s, housing authorities found that they were unable to find insurance, and out of that period of difficulty in finding insurance, a number of insurance pools were formed all over the country. Some were localized pools like California Housing Authorities Risk Management (CHARMA) and Bay Area Housing Risk Management Authority (BAHRMA) that we belong to. He said this Authority was one of the founding members of CHARMA. Mr. Gresley added that national organizations also formed insurance pools for housing authorities. All of these pools that were formed by housing authorities have been exempted by HUD from the normal competitive bidding process that housing authorities would need to go through to find insurance. He called upon Mr. Joseph Villarreal, Deputy Executive Director for Program Administration, for a briefing.

Mr. Villarreal provided a quick overview of CHARMA and the role it played for the Authority. He said we still receive our general liability coverage from CHARMA, a joint powers authority (JPA). Mr. Villarreal said that CHARMA offers a variety of insurance products. CHARMA currently provides the Authority with general liability insurance for claims up to \$250,000 (with a \$100,000 deductible). The excess coverage for claims is between \$250,000 and \$5 million which is provided by HARGG via CHARMA, a nonprofit, tax-exempt, risk retention pool owned by public housing authorities. CHARMA also provides coverage for employment practices liability at reasonable rates. He said that a recent review of insurance costs revealed that the Authority could save up to 25% by shifting general liability coverage from CHARMA to HARRG. Mr. Villarreal said we believe it is in the Authority's best interest to maintain coverage with ERMA. He introduced Mr. Andrew Sinclair, Risk Management Manager.

Discussion followed. Commissioner Hartwig asked if it was a self-insurance program, and if there was money left in the fund, where would that money go. Mr. Sinclair said that that was one of the issues with CHARMA, as to why we were withdrawing from it. He said the money is held in reserve, and we were not able to convince the board members of CHARMA to give that money back to us OHA. They were holding the money back in reserves for catastrophic losses. With HARRG, because they are a non-profit organization, we would receive dividends

at the end of the year if there is money left. Mr. Sinclair added that ERMA has not had a surplus. They were looking like they might have a surplus for last year, but they needed to close out all their claims before they could declare they have dividends, and that usually take two to four years.

Commissioner Hartwig expected that this type of self insurance would be cheaper than any other alternative, because it is purely cost-based business. Mr. Sinclair said the administration of the pool could have additional expense. Mr. Gresley said the reason why we were recommending that we purchase coverage from HARRG was because we could obtain the same coverage at a lower cost from them.

Commissioner Lee asked if we have a cost-cutting method to lower the cost in the future. Mr. Villarreal said we would be sending out an RFP for a broker to analyze all of our insurance products for better coverage. He noted that Mr. Sinclair and Mr. Robert Michaels, Accounting Officer of Finance, handle our insurance coverage. He said Mr. Michaels could not be present at this meeting. Commissioner Lee asked what insurance other housing authorities use, like the San Francisco Housing Authority or Los Angeles Housing Authority. Mr. Sinclair said he found out that some housing authorities do not have any insurance coverage. They just pay the claims as they come. We did that in the past and we had a large loss. Commissioner Lee asked when the RFP would be going out. Mr. Sinclair said we would like to do it in July or August.

2. Recommendation to purchase employment risk management coverage from Employment Risk Management Agency (ERMA).

Mr. Gresley called upon Mr. Villarreal. Mr. Villarreal said ERMA is our employment practices liability insurance. We have been a member of ERMA via our participation with CHARMA. He said our current coverage is going to expire on June 30, 2007, and ERMA's by-laws require the Authority's Board to pass a resolution expressing the desire of the Authority to continue participation in ERMA as an individual member. Mr. Villarreal pointed out that we paid about \$560,000 in premiums from 2000-2007 and ERMA has paid approximately \$2 million in claims on our behalf. He said that ERMA also provides an array of benefits that are more generous than those offered by a commercial carrier. We get more than just claims because we are provided access to significant training resources. Mr. Villarreal added that we have the ability to select defense counsel. He noted that a study was conducted for ERMA, whether or not they would continue EPL

coverage or if coverage would be obtained from a commercial carrier, and nine of the thirteen solicited did not respond at all.

Commissioner Lee moved approval of the resolution. Commissioner Hartwig seconded and the Board voted unanimous approval.

3. Recommendation to purchase general liability insurance from the Housing Authority Risk Retention Group (HARRG).

Acting Chair Pittman indicated that we were going to withdraw from CHARMA in two days. Mr. Villarreal said that HARRG currently has a number of insurance products on general liability. He said our general liability insurance is presently covered via CHARMA; however, we are withdrawing from CHARMA effective May 31, 2007. Mr. Villarreal noted that the Authority's liability insurance premium for the current policy year was \$419,322 with a \$100,000 deductible per occurrence. Mr. Villarreal also described the coverage through HARRG for the period June 1, 2007 to May 31, 2008. Mr. Gresley indicated that the recommendation is to obtain the insurance with a \$50,000 deductible and an annual premium of \$335,214.

Commissioner Lee moved approval of the recommendation. Commissioner Hartwig seconded and the Board voted unanimous approval.

B. Consideration of Amendment to Option Agreement for Real Property located at 1633 Harrison Street and 321 – 17th Street.

Mr. Gresley reminded the Board that we previously optioned the property at 1633 Harrison Street and 321 17th Street to Oakland Housing Initiatives and Christian Church Homes in order to solicit funding and support from the City of Oakland under its Notice of Funding Availability (NOFA) for senior housing. He also said that it has been previously reported to the Board that the City has approved over \$5 million of funding in support of the project. Mr. Gresley said that we are now in the process of working to prepare an application to the HUD Section 202 program for senior housing. He called upon Mr. Phil Neville, Deputy Executive Director of Real Estate Development, to provide the details of the proposal.

Mr. Neville acknowledged the presence of Mr. Jeff Angell from the City of Oakland and Mr. Shad Small, Project Manager of the Authority. He said that we paid \$375,000 for the property at 1633 Harrison Street in 1993. The appraised value of the property then was \$650,000, but Chevron made a

donation of \$275,000. Mr. Neville said we have land-banked that site for quite a few years, renting it to a parking operator. He also said that we recently acquired the property at 321 – 17th Street, for \$1.1 million. The proposal was for 73 senior apartments, 55 would be proposed for HUD's 202 program and 18 are proposed for Section 8 project-based units.

Mr. Neville recommended the Commission set the option at \$1 in the event that this property ever is foreclosed by HUD. He said we have talked about this to our General Counsel, and this is a strategy to get a higher score on our application. He added that we only expect a few projects to be funded in California and there are several good proposals being made for the City of Oakland. Nationwide, there is not much money in this program. HUD provides a subsidy and we are proposing a tax credit deal. So we are proposing a 202 program with tax credit investment, similar to our HOPE VI properties.

Mr. Neville said that if we are funded by HUD, we would apply for substantial funding from tax credit investors. He said we also have to strategize a bit on what repayment the Authority might get for its property. Our advisors have told us that it would be best that we donate more than half the value of the property. Mr. Neville noted that we don't know exactly what HUD would allow, and we know that the City of Oakland also may have something to say about that. He said that we are asking the Board to allow us to take this \$2.875 million site and donate \$1.475 million and ask for repayment of \$1.4 million. He added that if payments came to the Board, funds would be available to our local funds to continue to invest in housing or for housing-related expenses. Mr. Neville noted that we need the flexibility to increase the donation and lower the price we get as a prepaid lease contribution if it is required in the final negotiation with HUD and/or the City of Oakland.

Discussion followed. Commissioner Lee asked what funds we used to purchase the parking lot. Mr. Neville said we purchased the parking lot with local funds and local Section 8 reserves. Commissioner Lee was concerned that there were no previous discussions on this, and he would like the Board to be informed beforehand. Mr. Neville said we have made piece-meal presentations. Some months ago he said, the Option Agreement in favor of Christian Church Homes was approved by the Board. He added that before that, staff made a presentation on adding property at 321 17th Street to make our site more developable. Mr. Neville explained that the reason this was not recently previewed in a workshop session was because the Board had previously approved this senior development, and we ventured to get city funding years ago, in the year 2000. Unfortunately, we were not funded.

Discussion continued. Mr. Neville noted that the non-profit affiliate, OHI, will

be meeting next Monday to consider and approval actions that they need to make. He said that once we have the \$5 million commitment from the City, we either use it or give it back. Commissioner Lee noted he would like to get a better picture of this just like he had asked on other projects. Mr. Neville asked Mr. Lee if it was the appreciation cost that concerns him. Commissioner Lee did not feel he has enough information to make a decision, and he would like to have more heads-up. Mr. Neville noted that Mr. Shad Small is working with the team of Christian Church Homes in preparing this application which is due to HUD on June 15th. He said we would be refining our budget over what we turned in to the City as we have learned over the last six months. Mr. Neville said he would be happy to do a briefing on what the budget looks like and added that we did not intend to contribute anything beyond our land contribution. We were not asking that the Authority be a permanent lender on the project.

Mr. Neville continued staff may come back to the Board for authority to help with other predevelopment costs, to be a construction lender; but our Financial Advisor on the project has shown that the project could be built without further Authority subsidy. The City's subsidy alone comes out to about \$70,000 per unit, and they will keep their money in as long as we move the project expeditiously. Commissioner Lee asked what the chance would be on getting the 202 project. Mr. Neville said it was less than 50/50. Commissioner Lee asked for our alternative solution. Mr. Neville said we put aside this project the last time we were not able to receive funding for it.

Acting Chair Pittman commented that the request from Commissioner Lee was that on any development project in the future, the briefing and information should be more on a whole rather than on a piece-meal basis. Commissioner Hartwig would like to know the mechanism behind the land donation. Mr. Neville said the Authority would continue to own the land, and we would be entering into a long term lease, for 75 years. He said that right now the property is being rented as a parking lot. Mr. Neville said that for 75 years, the rent for the land would approach its appraised value. We could get over \$2.8 million on a 75-year lease. Oakland Housing Initiative, Inc. would be the main developer except for the fact that HUD does not recognize any developer that has no prior experience with HUD's 202 program. Mr. Neville said, therefore, OHI brought in a partner, CCH which operates a number of senior housing buildings in Northern California and has expertise on using the 202 program. The deal would be that CCH and OHI form a partnership. Mr. Neville added that if we are successful in getting the HUD funds for the 55 HUD 202 units, we would then go for tax credit investment, usually the four percent tax credit program.

Mr. Neville continued that the biggest source of fund would be the tax credit investment, and we do not pay it back. It was structured so that the investors

get their return over a ten-year period and a tax-credit compliance of fifteen years after which the Authority would have the first option to buy the property. Mr. Neville said we were not sure we would meet the deadline of June 15th on our HUD application because we have problems getting an approved plan with the County of Alameda on the environmental situation. Commissioner Hartwig asked if there would be any implication if we wait for a year. Mr. Neville said we would have to write to the City and request to roll the funds over for one additional year, and that requires the approval of the City Council. Commissioner Hartwig asked for any assessment of the likelihood that the \$5 million would be retained and how that assessment was based on. Mr. Neville said our experience for asking an extension was positive and provided the Tassafaronga project as an example.

Commissioner Hartwig asked whether the lawsuit with the City has any bearing upon the willingness of the City to roll the \$5 million over. Mr. Neville said the lawsuit had been filed before we rolled over our Tassafaronga funds. Commissioner Lee asked if we were lobbying Chevron for the clean up. Mr. Neville said Chevron has got a contract, and we are making some contacts with the County Supervisors. He said testing has been done by Chevron.

Commissioner Lee made a recommendation to move this item on the condition that we get the funds for the 202 project and the City's funds. If we don't get the 202 funds in the FY 2007 round, we will revisit this issue. Mr. Neville believed we already have a three-year term on the option that we granted, and the option was granted last October. There was a three-year option granted to OHI. Commissioner Lee said it was just for this component. Mr. Neville said this component was limited to the 202 application. Commissioner Lee said, however, that it was not indicated on the resolution. Mr. Neville said staff would add it to the resolution. Acting Chair Pittman clarified that the recommendation be amended to state that we should get the 202 funds and the City's funds. Commissioner Hartwig seconded and the Board voted unanimous approval.

C. Consideration of recommendation to award Section 8 Project Based Assistance to BRIDGE Housing Corporation for the St. Joseph's Senior Apartments.

Mr. Gresley called upon Deputy Executive Director for Program Administration Joseph Villarreal to outline the proposal. Mr. Villarreal said that staff is asking for the Board to authorize the Executive Director to award 83 project-based voucher (PBV) units to BRIDGE Housing Corporation for the St. Joseph's Senior Apartments development. The development is located at 2647 International Boulevard. St. Joseph's Senior Apartments was successful in obtaining \$7.8 million commitment from the City. BRIDGE has requested PBV

assistance for 83 of the 84 units (50 1-bedroom and 33 studio units). One unit will be reserved for a manager.

Mr. Villarreal said at least four units will be fully accessible while at least two more will be made accessible for persons with vision or hearing impairments. All other units will be adaptable and will be accessed by two elevators. The building will have extra-wide corridors with handrails and entrances on grade. Mr. Villarreal said this is actually Phase 1, in which they need our funding and the City's funding. He said Phase 2 was proposed to the City which would be 64 affordable homeownership units. Mr. Villarreal said that if the resolution is approved, our commitment will be about \$6.7 million. He said we are still below the 500 project based voucher units cap. Mr. Villarreal recognized the presence of Mr. Andy Madera, Director of Development from BRIDGE Housing and Mr. Jeff Angell from the City of Oakland.

Discussion ensued. Acting Chair Pittman thanked staff for having units that would be accessible for persons with vision or hearing impairments. Commissioner Hartwig asked what is the total inventory of the project-based units and whether it was a fixed number or a variable one. He also asked if it is an exhaustible supply. Mr. Villarreal said it is an exhaustible supply based on a projection of our total units. He said that under normal rules, our maximum number of units would be around 2200. In our Administrative Plan, we said we would not do more than 500 units, and we are getting close to that cap. Mr. Villarreal said that if this project is approved, we will be at around 426 units. Commissioner Hartwig asked whether that cap would be for this year. Mr. Villarreal said it would be for our entire project-based voucher commitment, and we make 10-year commitments. Commissioner Hartwig asked if we would be out of the cap once we use the remaining 74 more units. Mr. Villarreal said they would be gone. Mr. Gresley said the Authority can go up to 20 percent of our tenant-based vouchers. Up to this point, the Board had approved 500 units cap, and at some point, we will re-evaluate the cap and may come back to the Board to recommend approval of a higher cap.

Commissioner Lee asked how local developers are selected. Mr. Villarreal said what the commission has approved is that we allow awarded projects in conjunction with the City's affordable housing NOFA. To date, we have selected only projects awarded funds in the City's process. Commissioner Lee would like a little bit more discussion to better understand projects in the future. Acting Chair Pittman would like to refer this to the Development Committee first and then put it on the agenda for the open forum. Mr. Villarreal noted that there was a lengthy discussion on this about three years ago, and it is appropriate to discuss it now because we are getting close to the 500 unit cap.

Commissioner Lee moved approval of the recommendation. Commissioner Hartwig seconded and the Board voted unanimous approval.

D. Consideration of recommendation to award a contract to The John Stewart Company for the management of Oak Grove North and South.

Mr. Gresley said that Ms. Sharon H. Cossey, Deputy Executive Director for Property Operations, has overseen an RFP process to select a firm to manage the property at Oak Grove North and South. He noted that this is our first venture in looking at creating a model that we could replicate through our own staff with our project-based management under the new Asset-Based Management System (AMPS) that HUD is imposing. The purpose of the contract is twofold: to bring on a private firm to demonstrate how they do the job; and, to provide a living laboratory where we can rotate our staff through to receive on-the-job mentoring and training. Mr. Gresley noted that we selected Oak Grove North and South. We are interested in doing a large family development and in doing a group scattered sites. Mr. Gresley said that Ms. Cossey has been managing this process, and he called upon her to provide background information.

Ms. Cossey said that we have previously briefed the Board on February 13th about our plan. Subsequently, the Authority issued a Request for Proposals (RFP) and sent it to twenty-seven firms that manage affordable housing in Northern California. Ms. Cossey said that seven firms appeared for our site tours. At the proposed deadline of April 16, 2007, we received two proposals. Both firms, The John Stewart Company and Eugene Burger Management Corporation were considered responsive to and met the requirements. Ms. Cossey continued saying that staff reviewed the proposals according to the criteria. She said that Mr. Mark Stephenson, Director of Leased Housing and Ms. Patricia Ison, Director of Property Operations, toured the sites currently being managed by the property management firms.

As a result of our evaluation, Ms. Cossey said, we are pleased to recommend The John Stewart Company (JSCO) as the most advantageous to the Authority to contract at this point. She also indicated that staff has talked to Eugene Burger Management Corporation who is still interested in proposing to manage properties for the Authority in the future. JSCO manages 30,000 units of primarily low and moderate income housing in California, and their portfolio includes 317 properties, seven-five percent of which is affordable.

JSCO proposes a management fee of \$50 per unit per month, which is well below HUD's authorized safe harbor for a reasonable management fee of \$62 per unit per month. Ms. Cossey then discussed JSCO's management fee

coverage. She also said that JSCO presented their budget which was consistent with the budgetary guidelines outlined by the Board in the 2007 MTW Plan. JSCO will be hiring an Apartment Manager and an Assistant Apartment Manager. In addition, they will also hire a Lead Maintenance worker and two janitors. They also proposed to have two staff to live on sites to provide services. Ms. Cossey also discussed the reserve funds, start-up costs, and the office space. She introduced Ms. Loren Sanborn, Senior Vice President of JSCO in San Francisco.

Discussion ensued. Commissioner Lee first thanked Ms. Cossey and then asked if there was a performance clause. Ms. Cossey said there were performance benchmarks, and she talked about the incentives and disincentives as part of the contract. Commissioner Lee asked Acting Chair Pittman and Mr. Gresley if we could use this as a model. He asked if we could pick another site and use the accounting methods and costs and make a comparison and asked for a report after six-months. Mr. Gresley said yes. He then said that this is a 152-unit building and the senior housing apartments above our offices have 100 units. He also said we have Palo Vista in East Oakland which is comprised of 100 units. Commissioner Lee asked for the time frame. Mr. Gresley said this contract would begin on August 1st, and Ms. Cossey said that that would be our target date. Mr. Gresley thought we could have the reports around the end of December or in January 2008. Commissioner Lee asked whether our Accounting Department or Property Operations would handle this. Mr. Gresley said it would be a team work effort between Accounting and Property Operations. Mr. Gresley added that aside from the financial aspects, we should also be prepared to compare the kinds of services that would be provided, the kinds of repairs, and the social services. Ms. Cossey indicated that we have a tight budget and noted the few options that are available for our elderly tenants.

Ms. Cossey recognized the presence of two Resident Custodians at the sites. She said that our plan is to have them work at other sites, probably at our scattered sites. Commissioner Hartwig moved approval of the resolution. Commissioner Lee seconded and the Board voted unanimous approval.

E. Approval of Commissioner travel to attend summer NAHRO conference in Chicago, Illinois, July 19 – 22.

Acting Chair Pittman asked the Commissioners who would like to attend the NAHRO conference in Chicago. Commissioners Brown, Lee and Pittman would like to go. Mr. Gresley said that Commissioner Mayne would also like to go. Commissioner Hartwig moved approval of the Commissioner travel to the NAHRO conference in Chicago on July 19 – 22, 2007. Commissioner Lee seconded and the Board voted unanimous approval.

VII. Recognition of people wishing to address the Commission.

The first speaker was Mr. Henry Flowers, a resident of Oak Grove North. Mr. Flowers expressed concerns about the change of management in the Oak Grove sites. Speaking on behalf of the residents, he is concerned about the maintenance issues and noted the three water tank issues in the last five months. Mr. Flowers would also like to know if their relationship with our police would be changed at all. He asked if there would be a desire to have a resident patrol and if carpet shampooing would be available. He would like to have a clear delineation of the responsibility of the new manager. Mr. Flowers also would like to know how to handle maintenance problems during the time when the Resident Custodian would be out on weekends and holidays. He also would like to know if there would be resident input during scheduled meetings.

Acting Chair Pittman asked Ms. Cossey and Ms. Ison to have a discussion with Mr. Flowers to keep him apprised of the situation.

The next speaker was Ms. Marilyn Clark who is a resident across from a 6-unit scattered sites at 7th Avenue and East 20th Street. Ms. Clark talked about the noise and trash problems with the site. She also talked about someone coming out of the facility defecating on the cement and then going back inside. She also mentioned the people throwing soiled baby diapers and hypodermic needles from the upper floor of the Authority's site into the adjacent private yard. Ms. Clark also mentioned public masturbation in front which was witnessed by a young woman who was walking past the facility to get home. She also said that she once had to clean a pile of public waste in her own yard. Ms. Clark was happy to report that those egregious problems have disappeared since the closing of the facility, and they are now at peace. She asked the Board not to reopen that facility.

The last speaker was Ms. Jessica Herricks, also a resident at 7th Avenue. Ms. Herricks would like staff to continue talking to the Authority's residents regarding problems like domestic abuse, child abuse and sexual harassment.

VIII. Written Communications.

Mr. Gresley noted the notification we received from HUD about our capital funding. Our capital fund for last year would be increased by \$623,376, bringing our total capital for year 2006 to \$7,991,279.

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

Mr. Gresley noted our monthly status report and invited any questions the Board may have. He reported on the update on rent policy reforms. He said we expect to have a briefing on a workshop session this summer on rental policies. Mr. Gresley noted the prepared list of terms and acronyms that the Board asked to be part of the MTW Plan. He noted the copy of our monthly report to some of the City's council members and the City Attorney about site improvements and resident behavior concerns.

Mr. Gresley reported that Mr. Joseph Villarreal has accepted the position of Executive Director at the Housing Authority of Contra Costa County. His last day with us here as a member of our senior staff would be a week from this Friday. Mr. Gresley said there would be a farewell party for Mr. Villarreal on Tuesday, June 5th at 3:30 pm in the Executive Conference Room at 1619 Harrison Street. Acting Chair Pittman expressed his appreciation for Mr. Villarreal's work performance during his tenure.

Mr. Gresley provided the Commissioners with an updated list of the Commission meeting schedule for the remainder of 2007.

Commissioner Lee noted the only two complaints were received by our Customer Assistance Center for tenant behavior on our monthly status report. Mr. Gresley said this was only coming in through our Customer Assistance Center that is supervised by Police Chief Carel Duplessis. There may have been other complaints that may have come through the Office of Property Operations, or might have come in directly to an individual manager. Commissioner Lee asked for the telephone number. Mr. Gresley said it is 874-1563.

Commissioner Hartwig asked that all calls coming to any part of the Authority should be sent to the Customer Assistance Center as a central point of contact. It would be of tremendous value to have a distinction between tenant behavior complaints that are new versus tenant behavior complaints that are ongoing problems because one of the things that we really need to be keenly aware of is how well we are resolving the ongoing problems. Are we able to address those effectively and rectify them? It would also give us an indication of how well we are preventing new ones. Mr. Gresley asked for clarification to avoid including the vast majority of calls which are received for maintenance complaints. Commissioner Hartwig said he was only referring to tenant behavior problems. Mr. Gresley said we would look at it and get back to the Board.

Commissioner Lee said that a member of our bilingual staff has resigned and asked if we have made the effort to hire another one. He said he saw our advertisement which did not include the required language. Mr. Gresley asked for the position and said that he would talk to Ms. Pamela Foster, Director of Human Resources.

X. Reports of Commission Committees.

There were none.

XI. Announcements by Commissioners.

There were none.

XII. Adjournment to Closed Session.

The regular meeting was adjourned at 7:56 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. Acting Chair Robert J. Pittman, Jr. presided and called the meeting to order at 8:10 p.m. regarding the following:

- Conference with legal counsel pursuant to Government Code Section 54956.9(a) regarding the following cases, all of which are pending in the Alameda County Superior Court: OHA v. Sylvia Wilson, Case No. WG06261482; OHA v. Aretha Turk, Case No. WG06261516; OHA v. Danielle Paxton, Case No. WG 06261435; OHA v. Samuel Lee, Case No. WG06261465; OHA v. Lakisha Hines, Case No. WG 06261458; OHA v. Carl Goodman, Case No. WG06261439; OHA v. Tyesha Gipson, Case No. WG06261433; OHA v. Helen Bracken, Case No. WG06261331; OHA v. Paula Hawkins, Case No. WG06261446; OHA v. Stacy Melina Carr, Case No. WG06261330; OHA v. Adonneka C. Gilchrist, Case No. WG06261401; OHA v. Chanteel L. Holomon, Case No. WG06261460; OHA v. Vernessa J. Kelly, Case No. WG06261403; OHA v. Yolanda R. Scoggins, Case No. WG06261510; OHA v. Ira L. Turner, Case No. WG06261513; OHA v. Tomisha R. Wade, Case No. WG06261503; OHA v. Winou B. Wakeyo, Case No. WG06261499; OHA v. Lagina B. Wayatt, Case No. WG06261524; OHA v. Attila Anderson, Case No. WG06261337.
- Conference with legal counsel pursuant to Government Code Section 54956.9(a) regarding the following cases all of which are pending in the Alameda County Superior Court: OHA v. Nazira Adams, Case No. WG-07-324960; OHA v. Rachel Thompson, Case No. WG-07-324955; OHA v. Sarah Carr, Case No. WG-07-326835; OHA v. Lakisha Thompson, Case No. WG-07-325804; OHA v. Denise Smith, Case No. WG-07-306943.
- Conference with legal counsel pursuant to Government Code Section 54956.9(c) regarding anticipated litigation: four (4) potential cases.

Attendance

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

The Closed Session was adjourned at 9:02 p.m. and returned to open session.

Regular Meeting

XIII. Report from Legal Counsel regarding final decisions made during closed session.

Acting Chair Pittman asked General Counsel Jennifer Bell to report on the action taken in closed session. Legal Counsel announced that the Commission unanimously approved entering into settlement agreement in each of the following cases: OHA v. Sylvia Wilson, Case No. WG06261482; OHA v. Aretha Turk, Case No. WG06261516; OHA v. Danielle Paxton, Case No. WG 06261435; OHA v. Samuel Lee, Case No. WG06261465; OHA v. Lakisha Hines, Case No. WG 06261458; OHA v. Carl Goodman, Case No. WG06261439; OHA v. Tyesha Gipson, Case No. WG06261433; OHA v. Helen Bracken, Case No. WG06261331; OHA v. Paula Hawkins, Case No. WG06261446; OHA v. Stacy Melina Carr, Case No. WG06261330; OHA v. Adonneka C. Gilchrist, Case No. WG06261401; OHA v. Chanteel L. Holomon, Case No. WG06261460; OHA v. Vernessa J. Kelly, Case No. WG06261403; OHA v. Yolanda R. Scoggins, Case No. WG06261510; OHA v. Ira L. Turner, Case No. WG06261513; OHA v. Tomisha R. Wade, Case No. WG06261503; OHA v. Winou B. Wakeyo, Case No. WG06261499; OHA v. Lagina B. Wayatt, Case No. WG06261524; OHA v. Attila Anderson, Case No. WG06261337. Pursuant to the approved settlement, each defendant will be allowed to remain as an OHA tenant unless automatically disqualified pursuant to HUD regulations at 24 CFR Section 960.204(a)(3) and (4). Payment of rent will be waived through May 2008, and OHA will pay each defendant's attorneys' fees in the approximate amount of \$5800 each, with a total for all defendants of \$110,000.

XIV. Adjournment to Closed Session.

The regular meeting was adjourned to closed session at 9:04 p.m. regarding the following:

- 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 and Robert J. Pittman, Jr. Commissioners Moses L. Mayne, Jr, Jacqueline M. Taylor and Ramon J. Terrazas, Jr. were excused.

The Closed Session was adjourned at 9:16 p.m.

Chair

Secretary