

MINUTES OF THE ANNUAL MEETING
BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE
CITY OF OAKLAND, CALIFORNIA
HELD MONDAY, JUNE 26, 2006

Regular Meeting

The Oakland Housing Authority Board of Commissioners convened its Annual 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

II. Roll Call

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

Commissioner Pittman asked for a moment of silence for Commissioner Jacqueline Taylor who has been sick for some time now.

III. Report from the Legal Counsel Regarding Final Decisions Made During the Closed Session on June 14, 2006.

Legal Counsel Jennifer Bell reported that at the last Closed Session on May 22, 2006, the Board made a decision to instruct the Development staff to purchase the building at 1801 Harrison Street, Oakland, if they can reach an agreement with the owner according to the terms discussed.

IV. Approval of Minutes: Special Meeting of May 10, 2006
Regular Meeting of May 22, 2006

Commissioner Pittman moved that the minutes be approved. Commissioner Terrazas seconded, and the minutes were unanimously approved as submitted.

V. Modifications to the Agenda

Chair Mayne asked that Item F – Briefing on Proposed Tenant Lease and House Rules be moved as the last item in order to address all of the action items first.

VI. New Business

A. Election of Officers (Chair and Vice Chair to serve two-year terms beginning July 1, 2006).

Chair Mayne thanked his fellow commissioners and staff and expressed his appreciation for respecting him by electing him to the position of the Chair for the past two years. He said his main objective was to improve communication both inside and outside the Authority. Second, he wanted to take care of our scattered sites, which are still a priority on our agenda.

Chair Mayne asked for nominations. Commissioner Pittman commented that, knowing there are term issues coming up, he would like the entire Board to be aware that the constitution of this body could shift in the next few months, and he would like the Commissioners to be open for another election at some given point in the next few months. Chair Mayne said that what they definitely want to do, especially for the people who are in positions, is go forward, letting them know that the Board of Commissioners have acted this way, and for them to support the decisions that they have made and to support each other to make sure that they are re-appointed.

Commissioner Terrazas, assuming there are no term limits, nominated Commissioner Moses Mayne to be Chair. Chair Mayne asked for any other nominations. Without any other nominations, Chair Mayne closed the floor for nominations.

Commissioner Lee asked for discussion. Commissioner Lee noted that a couple of years ago it was brought up that they entertain the idea of having Co-Chairs. He said that the last Chair changed the term to one year instead of two years, so that more commissioners could be more involved. He said that since half of the Commissioners could be new, they are electing an official who may be serving not confirmed by the new Commissioners. Commissioner Lee proposed two things. First, to keep the existing configuration the way it is now and have a subcommittee revisit the bylaws of the Board. Second, involve the new Commissioners who will be here with the Board for at least the next three months to see how they want the whole operation to work. Chair Mayne indicated that that is not the motion on the floor, and they should go forward with the motion and have a vote. Chair Mayne asked all those in favor to say "Aye". Commissioners Brown, Pittman, Terrazas and Chair Mayne voted "Ayes". Commissioner Lee abstained.

Mr. Gresley asked for clarification from the General Counsel whether it was a motion since it was a nomination for an office, and if it was a vote on the nomination. Chair Mayne said motion and nomination pretty much coincide.

Mr. Gresley thinks that a proper motion might be that the nomination be closed. Then, Commissioner Pittman moved that the nomination be closed. Commissioner Brown seconded. Chair Mayne again asked for all those in favor to say "Aye". The Commissioners who earlier voted "Ayes" reiterated their votes. Again, Commissioner Lee abstained.

Chair Mayne asked for nominations for Vice Chair. Commissioner Terrazas nominated Commissioner Pittman for the position of Vice Chair. As there were no more nominations, Commissioner Terrazas moved that the nomination be closed. Commissioner Brown seconded and the Board voted. Commissioners Brown, Pittman, Terrazas and Chair Mayne voted "Ayes". Commissioner Lee abstained.

B. Approval of Architectural and Engineering Services for Five Scattered Sites.

Mr. Gresley called upon Ms. Sharon H. Cossey, Deputy Executive Director for Property Operations, for background information of the five scattered sites. An RFQ requesting proposals from architects was released for the sites.

Ms. Cossey said there were three firms being recommended for the five sites. These sites were approved in the 2007 MTW Annual Plan. She said staff sent a Request for Qualifications (RFQ) to twenty architectural and engineering firms that indicated they were interested in doing work with the Authority. Ms. Cossey indicated that the scope of the RFQ requires the selected firm to incorporate cost-effective universal accessibility standards, energy conservation, garbage containment, and crime prevention features in the redesign of the sites. Ms. Cossey also indicated that the firms are required to develop the construction documents and provide construction administration services.

Ms. Cossey said staff received qualification statements from nine firms. A three-member staff panel reviewed and ranked the proposals. Ms. Cossey recommended to the Board the following architects to be selected: Gutierrez Associates Architects for 3500 Bruce Street (8 units); Kodama/Diseno Architects for 2381 E. 21st Street (4 units) and 1739 89th Avenue (6 units); H & Y Architects for 4203 Terrace Street (4 units) and 6921 Fresno Street (5 units). Ms. Cossey noted the slight error in the evaluation form. She said that after H & Y Architects, Kodama/Diseno and Muller & Caulfield follow. Mr. Gresley noted that there were five separate resolutions that could be voted on as one motion to adopt all five.

Commissioner Pittman made another correction. He said that H & Y is a Martinez-based firm, not Oakland-based. Commissioner Pittman noticed that nine of the proposals came in at 4:00 PM on May 5, 2006, and today is the 26th

of June, which is close to two months. He asked if they could not have gotten the results of the panel's decision earlier than the night they had to vote on it. Ms. Cossey said they were unable to present this at the last meeting because after receiving the proposals, staff had to determine if the firms met the qualifications. Then, a 3-member panel was convened to rate the architects based on the RFQ criteria. That was followed by fee negotiations with the top rated firms. Mr. Gresley commented that the recommendations were delivered to the Commissioners as quickly as possible, given the lengthy process, and that the alternative would be to hold them off for another month. Mr. Gresley noted that the architects submitted their proposals without their prices, and staff then selected the proposals based on the best overall proposal. Then prices were negotiated.

Commissioner Pittman asked if there were dates for the meetings with residents and interested neighbors. He said the Board would like to go to hear what the neighbors had to say. Ms. Cossey said they would be developing a specific schedule with each architect after the awards are made. Chair Mayne asked if there would be an opportunity for public comment. Ms. Cossey said it was part of the process of developing the architectural plans. She said staff seek comments but not necessarily public comments, but we will reach out to the neighbors, and would bring the proposed plans back to the Board for consideration while they were in the design phase. Commissioner Pittman asked if there was a point at which we showed them to the neighborhood prior, and he would like to know what that date was. Ms. Cossey said they would be scheduling those and would make sure that the Board is made aware of those dates. She said that all of the timelines would be set after the contract awards are made.

Commissioner Lee said he had requested that the Board receive the actual language of the RFP. Mr. Gresley said he was not sure what RFP Commissioner Lee was asking before. Mr. Gresley said the RFPs are all posted on the web site. He asked Commissioner Lee which particular RFP he wanted. Commissioner Lee noted that they had this discussion at the last meeting and Mr. Gresley had been requested to email the Commissioners the current RFQs. Commissioner Lee looked at an RFP before and responded back. He said that if the Board received copies of the solicitations, they would provide many answers to the questions asked at the meetings. Mr. Lee said he wanted to take a look at the scope of work staff was requiring the architects for an understanding of the variation in prices. Mr. Gresley clarified that we do not get prices from the architects and therefore do not see a range of prices. He said staff would provide a copy of whatever RFP Mr. Lee would want.

The discussion continued. Ms. Cossey indicated that today staff posted an

invitation to bid for six roofs on the scattered sites. Commissioner Pittman said he would be interested in reviewing templates for Authority solicitations. Mr. Gresley said this might be a topic around procurement for a workshop session. He said there were huge differences in the RFPs. There is a boilerplate for an Auditor, a boilerplate for an architect, and a boilerplate for some other professions. He suggested that staff do a general briefing on procurement – how we do bids, RFQs, and RFPs. Commissioner Pittman asked if the RFPs and RFQs posted on the website have a time period. Mr. Gresley responded that the time frames were clearly identified on the web site. Commissioner Terrazas asked if the Board has an interest in seeing all of the RFPs and RFQs as they are posted on the web site. Chair Mayne said they are all posted on the web site. Commissioner Terrazas just wanted the Commissioners to be clear on what they wanted from staff.

Ms. Cossey noted that one exception on the invitation for bid is that when they have extensive rehabilitation work, the specification package is very thick, and in order to get those, the bidders have to pay for copies. Commissioner Pittman said that because some of the Commissioners do not have the capability of downloading from the web site, when RFPs and RFQs are posted, staff should notify the Commissioners who have the capability to download them and mail copies to those who do not have the capability. Mr. Gresley said that he started sending email to all the Commissioners except to Commissioner Brown who does not have email. He asked Mr. Brown if he wants copies and if he wants to be informed when staff is doing the RFPs; Commissioner Brown responded “no”. Mr. Gresley said, on a regular basis, staff would inform the Board by email on what is available on the web site.

Mr. Gresley made another clarification about the Small Purchase Procedure. He said that this procedure allows the Authority to seek competitive proposals or competitive bids from a limited number of vendors. Mr. Gresley said that serves a desire that was expressed by the Board to keep our purchase power in Oakland. When we have adequate competition within Oakland, and they are small purchases, we can invite vendors in Oakland to bid on this work. Those are not put on the web site. Chair Mayne suggested that staff send electronic notification to those Commissioners who have emails and mail copies to Commissioner Brown. He said that it would be helpful to have a workshop where they could talk about procurement.

Chair Mayne asked for a motion. Commissioner Lee moved to accept staff’s recommendation. Commissioner Terrazas seconded, and the Board voted unanimous approval.

C. Authorization to acquire the property at 1801 Harrison Street and to file a

Notice of Exemption under the California Environmental Quality Act (CEQA).

Mr. Gresley said that the Board authorized staff to make an offer on 1801 Harrison Street. He called upon Deputy Executive Director for Real Estate Development Phil Neville for a status report on the process. Mr. Neville said OHA has 1801 Harrison Street under contract and our due diligence period ends on July 5, 2006. He said we had internal inspections from the Development and Capital Improvements staff. Mr. Neville also said we have arranged for inspection by our MIS Department on the phone and computer cabling systems. He noted that our goal is to make sure the building is sound. He said we still have to have electrical, plumbing and roof and heating and air conditioning system inspections. Mr. Neville recommended that the Board acknowledge the previous authorization it gave staff to purchase the property in a closed session. He also would like the Board to authorize the Executive Director to file an exemption under the California Environmental Quality Act (CEQA). He said OHA was not required to file it, but if we do, we shorten the time that any potential challenge to the purchase would arise. This would reduce the time frame for a challenge under CEQA from 180 to 35 days.

A brief discussion ensued. Chair Mayne asked to clarify if the Board is asked to authorize staff to purchase this in a closed session tonight. Mr. Neville said that such authorization was previously given, and that we are looking only for the Board to acknowledge the purchase of the office building at 1801 Harrison Street for the price of \$1,750,000 using local funds, and that staff also requests that the Commissioners make a finding that this purchase is exempt from CEQA, and authorize the Executive Director to file a Notice of Exemption. Commissioner Pittman acknowledged the work of Mr. Neville and he wanted to make a note that it was a smart move for the commission to have authorized the price they had.

Commissioner Terrazas moved to acknowledge and approve the authorization to purchase the property at 1801 Harrison Street and to file the CEQA notice. Commissioner Pittman seconded and the Board voted unanimous approval.

Discussion followed. Commissioner Lee asked for an elaboration of the exemption of the CEQA process. Ms. Jennifer Bell said that, basically many things that we do including any acquisition of real estate is subject to CEQA. She said staff would like to ratify the purchase price in open session to be on the record that the purchase was approved. She also recommended that the Board approve the CEQA exemption finding, which is a pro-forma approval process. Commissioner Lee asked if everything we do has to go through CEQA. Ms. Bell said not everything, but a lot of the real estate actions we take do have to go through CEQA. We are using CEQA because we plan to purchase the

building with local funds, and not with HUD funds. If we used HUD funds, we would also have to satisfy any requirements under the National Environmental Quality Act (NEPA). Commissioner Lee asked if the demolition of a building requires CEQA. Ms. Bell said that CEQA approval was not necessary for the demolition of a building. Mr. Lee asked why the demolition of the building for a parking lot on Harrison Street did not require CEQA. Ms. Bell said she has to look at that the specifics of that situation. It can be related to the source of funds used and the plans for the particular property. On the office building we plan to purchase and occupy, which is deemed an exempt project under CEQA, approving the filing will allow the statute of limitations to run.

D. Authorization of 2006 Tassafaronga Village HOPE VI Revitalization Grant Application.

Mr. Gresley asked Mr. Neville for a report on Tassafaronga Village. He said that the deadline to submit an application to HUD is on July 10, 2006, and introduced Mr. Neville, who indicated that staff first needed the Board to authorize the filing of this HOPE VI application. He noted we had a number of briefings in the past year and that we intend to apply for 59 public housing units out of the 87 units, and that we plan to replace the remaining units with 28 Section 8 vouchers. Mr. Neville said the second item related to Tassafaronga is for the Board to authorize Chair Moses L. Mayne to execute this HOPE VI Revitalization Applicant Certification. Mr. Neville noted that we must state that we have not obtained any other funds for this purpose, and that we will, in good faith, go out and seek to leverage to maximize the impact of HUD's funds.

Commissioner Pittman thanked staff for the discussion on security issues, the garbage disposal issues, and for paying attention to the disabled in terms of the lower units. Chair Mayne asked for a motion. Commissioner Terrazas moved approval of the motion. Commissioner Pittman seconded and the Board voted unanimous approval.

E. Approval of Budget and Annual Plan Amendment to increase funds for Roof Replacement Projects.

Mr. Gresley said that at the last workshop session, he outlined a proposal to spend an additional \$1.4 million for roof replacements. He asked the Board to augment the annual budget to allow us to spend \$1.4 million to do about 34 roofs that require immediate replacements. Mr. Gresley said we have the reserves based upon our MTW participation. He said this will prevent us from having to shut down some buildings and move people out. Mr. Gresley said the proposal is to amend our budget to include an additional \$1.4 million for roof replacements.

Commissioner Terrazas asked if staff is looking to replace 34 roofs. Mr. Gresley said it depends on how the bids come in, but what he was asking for was the additional \$1.4 million. He said they have many more roofs to do but these 34 roofs have priority. Commissioner Terrazas asked, within the matrix of what we need to rehabilitate and what we need to replace, in terms of extensive rehabilitation, do any of these properties fall in that matrix. Mr. Gresley said virtually every property we have unless recently rehabilitated need to be rehabilitated sooner or later.

Chair Mayne asked for a motion. Commissioner Terrazas moved approval of the motion. Commissioner Brown seconded and the Board voted unanimous approval.

G. Consideration and approval of Commissioner travel to the National Association of Housing and Redevelopment Officials (NAHRO) conference in Atlanta, Georgia.

Mr. Gresley asked the Board to authorize any Commissioner travel to the NAHRO conference in Atlanta, Georgia. Chair Mayne asked who would like to go. Commissioners Pittman and Brown would like to go. Chair Mayne asked Commissioner Lee if he was interested in attending the conference. Commissioner Pittman moved to include Commissioner Lee if he wants to go. Commissioner Brown seconded. Chair Mayne is also going.

Mr. Gresley noted that some of the Commissioners attended the symposium in Washington, D.C. about three years ago. That symposium was subsequently repeated last summer in San Francisco. Mr. Gresley said they are doing the same symposium in conjunction with the Atlanta trip. He encouraged the Commissioners to include it in their travel, because it has been extremely valuable and informative.

Chair Mayne asked to amend the motion to include the symposium. Commissioner Pittman moved to amend the motion to include the symposium. Commissioner Terrazas seconded and the Board voted unanimous approval.

(At this juncture of the meeting, Commissioner Terrazas excused himself.)

F. Briefing on Proposed Tenant Lease and House Rules.

Mr. Gresley said staff is preparing to bring to the Board a final version of a Lease and House Rules. He said that while the Authority is required to post for our tenants, staff recommends a public posting because we have members of the

public interested in knowing what is in our lease. Mr. Gresley said staff will be meeting with a community group on Wednesday night. He said it is an ongoing process, and staff has been putting quite a bit of time into working with a number of neighborhood NCPC representatives around our scattered sites. Mr. Gresley indicated that the lease is a legal document, and the house rules become incorporated into the lease. He said staff will be receiving comments from various places, including residents and members of the public, commissioners and other staff. Mr. Gresley invited comments from the commissioners. General Counsel Jennifer Bell commented that unlike a typical lease for a non-public housing development, there are specific regulations that HUD prescribes to be included.

Commissioner Pittman referred to Section 6 on the Lease. He asked where the source of the amount of time of the 14 and 45 days come from, whether it is HUD or state. Ms. Cossey said it is from the Authority. Commissioner Pittman raised questions pertaining to sections on maintenance and repair charges on page 4, on unit size and transfers on page 7. Mr. Gresley provided answers. Chair Mayne asked whether we have households with 10 members. Again, Mr. Gresley gave an answer. Mr. Gresley said staff will be posting the lease for thirty days and invite comments from members of the public.

VII. Recognition of people wishing to address the Commission

Mr. Robert Davis indicated that he was on parole and was denied housing. He asked the Board to help him get housing, as he feels he deserves a chance. Chair Mayne told Mr. Davis to meet with Mr. Joseph Villarreal.

VIII. Written Communications

Mr. Gresley noted the letter from Congresswoman Barbara Lee congratulating the Authority upon its receipt of HUD's grant of more than \$7 million for capital improvements.

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

Mr. Gresley reported about the Lockwood case.

Mr. Gresley said there would be no workshop session in mid-July.

Mr. Gresley handed out to the Commissioners a memorandum relating to Customer Service complaints. It is a summary information of the total complaints received, with breakdown by Department and by month. The Commissioners asked questions and

Mr. Gresley provided answers.

Mr. Gresley briefed the Board on the comments provided by HUD Secretary Alfonso Jackson and Assistant Secretary Orlando Cabrera of HUD about the future of housing authorities at the CLPHA conference he attended a week ago. He said that 74 percent of the housing authorities in the country are gainers, and some of the very large housing authorities, like New York City, are decliners. Mr. Gresley said that on the funding formula provided by HUD, there is 42 percent margin of error. Rather than try to figure out why they had a large margin of error and fix it, HUD came out with a thing called Stop Loss. Mr. Gresley explained the concept of the Stop Loss and gave examples on how it works. He said that as an MTW housing authority we have more ability to adjust to the under funding. He noted that in the meeting he attended, he spoke up for the gainers. Mr. Gresley pointed out that HUD is not very supportive of the industry.

Mr. Gresley talked about the comments by Secretary Jackson on the Section 8 program. He said Secretary Jackson noted that public housing authorities need regulatory relief and flexibility. MTW shows great innovation when you have the flexibility, but some in Congress do not support flexibility. Mr. Gresley noted House Bill 5443 which was passed in the House. He said this bill would require MTW housing authorities to re-apply every three years, and they would have to be high performers to qualify. Mr. Gresley indicated that we need to be thinking, in the long run, about how public housing survives without federal funding.

Mr. Gresley shared with the Board what Chicago Housing Authority is doing. He said they had torn down 52 high-rises, 21,000 units, but they have had a lot of resources made available to them, including federal and City of Chicago resources and private foundations. Mr. Gresley said the Chicago Housing Authority got \$50 million just from the McArthur Foundation.

Mr. Gresley reported that the senior staff, middle management and senior professionals met in retreat two weeks ago. He said they are working on the framework of a strategic plan, a written document that will follow some of the directions that were provided to us by the Commission. Eventually, we will be bringing back to the Board a document as a draft of the strategic plan; we will be planning our five years.

X. Reports of Commission Committees.

There were none.

XI. Announcements by Commissioners.

There were none.

XII. Adjournment

The regular meeting was adjourned at 8:24 pm to a Closed Session.

Chair

Secretary