

# Annual Comprehensive Financial Report



**WORKING TOGETHER TO CREATE HEALTHY COMMUNITIES**



**FISCAL YEAR 2024 // JULY 1, 2023 - JUNE 30, 2024**

# **Housing Authority of the City of Oakland California**

## **Annual Comprehensive Financial Report**

**Fiscal Year Ended June 30, 2024**

**Senior Staff:**

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Michelle Hasan, Chief Housing Operations Officer  
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**Prepared by:**

**Finance Department Staff**

**Supported by our partner departments throughout the Agency**



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
For the Year Ended June 30, 2024

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CITY OF OAKLAND, CALIFORNIA**  
For the Year Ended June 30, 2024

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# INTRODUCTORY SECTION

Letter of Transmittal

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GFOA Certificate of Achievement for Excellence in Financial Reporting

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Organizational Chart

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Board of Commissioners

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Executive Team and Directors

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December 30, 2024

Residents of the City of Oakland Housing Authority  
Members of the Board of Commissioners  
Housing Authority of the City of Oakland, California

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the Housing Authority of the City of Oakland, California (the Authority) as of and for the year ended June 30, 2024. The U.S. Department of Housing and Urban Development (HUD) requires that all public housing authorities publish within nine months after the fiscal year-end, financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with U.S. generally accepted auditing standards (GAAS). Macias Gini & O'Connell LLP (MGO), independent certified public accountants, have audited the Authority's financial statements presented herein. MGO has issued an unmodified opinion on the Authority's basic financial statements for the year ended June 30, 2024. The purpose of the independent audit is to provide reasonable assurance that the audited basic financial statements, taken as a whole, are free of material misstatements. The data presented in this report is the responsibility of the Authority's management. To the best of our knowledge and belief, the data as presented is accurate in all material respects, is presented in a manner designed to fairly state the financial position and changes in financial position of the Authority and all disclosures necessary have been included to enable the reader to gain an understanding of the Authority's financial affairs. GAAP requires that management provide a narrative introduction, overview, and analysis to complement the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The Authority's MD&A can be found immediately following the report of the independent auditors. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it.

The Authority is also required to undergo an audit in conformity with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). It is the Authority's policy to require the accounting firm to be independent certified public accountants with specific experience in auditing governmental entities, and in performing compliance audits pursuant to the Uniform Guidance. Information related to this single audit, including the independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*, the independent auditor's report on compliance for the Authority's major federal programs and on internal control over compliance, the schedule of expenditures of federal awards, the schedule of findings and questioned costs, and the summary schedule of prior audit findings are included in the federal compliance section of this report.

## **Government Overview**

The Authority was established in 1938 to provide housing for low-income residents of the City of Oakland, California (City). The Authority was founded by City of Oakland ordinance, under the Health and Safety Code of the State of California and is governed by a seven-member Board of Commissioners (Board) appointed by the Mayor of the City, with the approval of the City Council.



This report includes all programs of the Authority, as well as all of its component units. Component units are legally separate entities for which a government is financially accountable or for which it is so intertwined with the primary government that they are in substance part of the operations of the primary government. Although the Authority maintains close ties with the City in several respects, the Authority is not a component unit of the City.

The Authority's primary source of funding from the U.S. Department of Housing and Urban Development (HUD). HUD has direct responsibility for administering Public Housing Programs under the United States Housing Act of 1937 (as amended). The Authority's mission is *to assure the availability of quality housing for low-income persons, to promote the civic involvement and economic self-sufficiency of residents, and to further the expansion of affordable housing within Oakland*. The Authority accomplishes its mission by administering various programs, including the Low Rent Housing Program (Section 9 public housing) and the Section 8 Housing Choice Vouchers (HCV) Program. In 2004, the Authority was selected to participate in HUD's Moving to Work (MTW) Demonstration Program. The program allows the Authority an exemption from a multitude of HUD regulations and reporting requirements; provides significant flexibility to combine its HUD funding for allocation among the Authority's administrative, capital, development, and supportive service activities; and presents a unique opportunity for the Authority to explore and test new and innovative methods of delivering housing. The Authority has established various instrumentalities and affiliates to partner and develop alternative housing opportunities for Oakland's lowest-income families, elderly, and persons with disabilities. As the City's largest provider of affordable housing, the Authority recognizes that it takes a tremendous amount of support to help people make a home and assist residents in building communities.

## **Economic Condition and Outlook**

While the Authority recently began pursuing non-HUD opportunities and diversifying its sources of revenue, by and large the agency continues to rely on Congressional appropriations and HUD funding for 97% of its annual operating budget. Revenues provided by HUD come in multiple forms, such as operating subsidies, contracts, and grants, and all depend on Congress to pass legislation to fund the government through appropriations bills. The Authority has remained conservative in its budgeting and anticipates funding at the budgeted level for FY 2024, although capital expenditures for major renovations and development continue as planned.

The United States federal budget for fiscal year 2024 runs from October 1, 2023, to September 30, 2024, the government was initially funded through a series of temporary continuing resolutions. In FY24, Congress passed, and the President signed into law a series of continuing resolutions and two minibuss appropriations that provided funding through the end of the Federal fiscal year. The first minibus package became law on March 9, 2024. The second minibus was signed by the President on March 23, 2024, and carried the HUD budget through the end of the year.

Additionally, HUD Fair Market Rents (FMR) published for FY 2024 increased for all unit sizes by an average of approximately \$192 in the Oakland-Fremont market, which demonstrates the robust market for and increasing cost of housing, even during challenging economic times for retail and commercial real estate in the City.

## **Major Initiatives**

The Authority pursued the development and preservation of affordable housing through several major projects during FY 2024, as described below.

**Oak Groves** – In August 2017, the Authority's Board approved the submission of a Disposition Application to HUD for three public housing sites including the two Oak Groves sites: Oak Grove North and Oak Grove South. The Authority submitted a subsequent application for Section 8 vouchers and a project basing of the

awards to the sites, all of which were approved. In December 2019, the two sites were sold to Oak Groves Senior Housing, LP (Partnership), a California Limited Partnership controlled by RAMP Housing, Inc., a California nonprofit public benefit corporation (“RAMP”). RAMP is a supporting organization of Oakland Affordable Housing Preservation Initiatives, a blended component unit of the Authority. RAMP serves as sole member of the general partner of the Partnership, developer, and guarantor.

Oak Groves Senior Housing, LP assembled financing to facilitate the rehabilitation of the properties and secured an allocation of 4% tax credits and issued tax-exempt bonds to complete the work. The Authority executed a long-term ground lease and sold the property to Oak Groves Senior Housing, L.P. In its role as Seller, the Authority provided three ‘soft’ loans: a seller carryback loan in the amount of \$34,400,000; a construction/permanent loan in the amount of \$15,000,000; and a ground lease loan for \$599,901, which is equal to the appraised value of the land, less a \$99 cash ground lease payment. All three loans carry a 55-year term with payments made from residual receipts.

Construction began on Oak Grove North in February 2020 and was suspended due to the COVID-19 pandemic, with very little construction activity occurring from March through May 2020. In response to the pandemic, all residents and staff at Oak Grove North were relocated offsite to mitigate the potential for infection during the building rehabilitation. Construction on Oak Grove North resumed at full capacity in May 2020. The Oak Grove North units were completed and most of the residents returned by June 30, 2021. In January 2021, Oak Grove South residents moved offsite temporarily, and construction began on that building. The rehabilitation of Oak Grove South was completed, and the building was fully occupied as of July 2022. The project converted to permanent financing in March of 2023. In July 2024, the project received approval of its Placed In-Service Application and obtained its Low-Income Housing Credit Allocation and Certification Form 8609 from the California Tax Credit Allocation Committee,

**Brooklyn Basin** – The Authority partnered with the City of Oakland and Mid-Pen Housing Corporation (Mid-Pen) to develop 465 units of affordable housing for low-income families and seniors at Brooklyn Basin, a new master planned community on a former industrial site along Oakland’s waterfront. The overall project site is approximately 64 acres and, when complete, will include up to 3,100 residential units (including the 465 affordable rental units), 200,000 square feet of commercial space, 32 acres of parks and public open space, two renovated marinas (170 boat slips) and an existing wetlands restoration area. The master developer is Zarsion-OHP I, LLC (ZOHP), whose principal local partner is the Signature Development Group.

Four affordable projects in total were developed on two improved parcels for a total of 465 units. The Authority purchased a 50% tenant-in-common interest in Parcels A and F for \$10 million and allocated 258 Section 8 Project Based Vouchers to be distributed between the four projects. The land acquisition closing was completed in October 2017.

The first two projects on Parcel F received a Notice to Proceed on December 20, 2018, and were substantially complete on January 15, 2021. Project 1, Paseo Estero, offers 101 new affordable rental homes for families. Project 2, Vista Estero, offers 110 affordable rental homes for seniors. Both properties were fully leased by July 31, 2021. Project 3, Foon Lok West, which provides 130 affordable rental homes for very low-income and formerly homeless families, was completed in May 2022, and was fully leased in August 2022. Project 4, Foon Lok East, has 124 affordable homes for very low-income and formerly homeless families. Mid-Pen closed all financing for Foon Lok East at the end of May 2022, started construction in early June 2022, construction was completed in March 2024. Foon Lok East is currently fully leased up.

**500 Lake Park**– The Authority is partnering with EAH Housing in developing 500 Lake Park Avenue in the Grand Lake District of Oakland. The project consists of a six-story, 53-unit building with a mix of one, two, and three-bedroom units serving low-income families and formerly homeless individuals. The project



will also deliver approximately 3,000 square feet of ground-level commercial space, above-ground structured parking for residents, and an additional 20 parking spaces for the neighboring Bank of America branch. The site is in a high-amenity area accessible to public transit, schools, parks, grocery stores, retail, an Oakland Public Library branch, and Lake Merritt.

The Authority has agreed to provide a total of \$7.5 million to the project. On June 9, 2021, the Authority purchased the 500 Lake Park land for \$4.9 million and provided a predevelopment loan to the project. When fully drawn, the predevelopment loan will be \$2.3 million. The Authority will ground lease the land back to the development partnership for a lease term not to exceed 99 years. When the project begins construction, the predevelopment loan will be converted to permanent financing and additional funds will be provided up to the Authority's \$7.5 million total commitment. In addition, the Authority will provide 18 project-based Veterans Affairs Supportive Housing (VASH) vouchers. The project is currently seeking additional financing from the City of Oakland and the State of California. If these applications are successful, construction could commence in late 2025 and take approximately two years to complete.

**285 12th Street** – The East Bay Asian Local Development Council (EBALDC) is developing 285 12th Street, a 65-unit building in the Downtown/Chinatown area of Oakland that will serve low-income families and people who have experienced homelessness. The project also includes approximately 3,500 square feet of ground floor commercial space.

The Authority has agreed to provide \$12 million in financing to 285 12th Street. The Authority is providing a predevelopment loan of up to \$1 million and the Authority will purchase the project site for its appraised value upon the close of construction financing. The balance of the Authority's funding will be provided as a soft construction/permanent loan. The Authority has also committed to providing 16 project-based vouchers and an additional 8 VASH project-based vouchers to 285 12th Street. The project-based vouchers will allow the development to extremely low-income and formerly homeless households while maintaining financial viability.

In addition to the permanent financing described above, the Authority has provided an Acquisition Bridge Loan in the amount of \$7,100,880. This loan allowed EBALDC to repay the acquisition loan for 285 12th Street, which will reduce the interest costs the project would otherwise have to pay until the Authority purchases the project site. The Acquisition Bridge Loan will be repaid when construction begins, and the Authority acquires the property. EBALDC continued with predevelopment work and funding applications during the fiscal year 2023 and the Authority provided funding through both the Predevelopment Loan and the Acquisition Bridge Loans.

**The Phoenix** – The Phoenix is a 101-unit affordable housing development in West Oakland. The project is a joint venture between EBALDC and Allied Housing. The Authority made a conditional award of \$3,112,566 in Rental Assistance Subsidy (RAS) for the Phoenix in December 2022. Construction began in August 2023 and the project is expected to be completed in May 2025.

**Coliseum Way** – Coliseum Way is the rehabilitation and conversion of a former motel into 36 units of permanent supportive housing. Danco Communities is developing the project. Coliseum Way was selected to receive state and city funding through the Homekey program. The Authority made a conditional award of up to \$4,572,041 in RAS for Coliseum Way in January 2022. Construction on the Coliseum Way project is expected to run from September 2023 to February 2025.

**Friendship Senior** – The Authority is providing a \$2,100,000 loan to Friendship Senior, a 50-unit new construction affordable housing development in West Oakland that will serve senior households. Friendship Senior is a project of the Community Development Corporation of North Richmond. The Authority approved the loan to the project during fiscal year 2023. Construction on Friendship Senior project is underway, with completion expected in September 2025.

**3050 International** – Satellite Affordable Housing Associates (SAHA) and Native American Health Center (NAHC) are jointly developing 3050 International. When completed, 3050 International will include 75 affordable housing units and one manager’s unit, as well as a NAHC health clinic and cultural center. The Authority made a \$2,538,000 RAS award to 3050 International in May 2023, and the project begin construction in 2024 and completion is anticipated for December 2025.

**2700 International** – 2700 International is a 75-unit mixed-use new construction affordable housing project for families and formerly homeless veterans. The ground floor will include 3,800 square feet of below market rate commercial space. The Sponsor is The Unity Council (TUC). The Authority awarded a soft development loan of up to \$3,800,000 to 2700 International in May 2023. TUC expects to apply for an allocation of tax-exempt bonds and 4% tac credits in early 2025 and if the application is successful construction will begin in late 2025.

**Foothill Family Apartments** – The Authority is providing a loan of up to \$15,000,000 to finance the rehab and refinancing of Foothill Family Apartments. Foothill Family Apartments is a mixed-finance development with public housing units, project-based Section 8 voucher units. The Authority is the limited partner of the partnership that owns Foothill Family Apartments and its affiliate, Oakland Housing Initiatives, is the general partner. Foothill Family Apartments was originally constructed in 2000.

The project will include rehab of interior components such as kitchens, bathroom fixtures, and flooring; exterior components including painting, trim replacement, balcony and deck repairs, and hardscape; and refurbishment of common areas including the office and community rooms, laundry rooms and playground.

The project is seeking HUD approval for a conversion of the public housing units to Section 8 project-based voucher units through a Rental Assistance Demonstration/Section 18 blend.

**Lion Creek Crossings Phase I & II** – Lion Creek Crossings Phase I and II are the first two phases of the redevelopment of the former Coliseum Gardens public housing site as “mixed-finance” low-income housing developments, including public housing units, units with project-based vouchers, and units without an ongoing operating subsidy. Phase I includes 115 units and was originally completed in 2005. Phase II, with 146 units, was completed in 2007. Lion Creek Crossings Phase I and II are currently undergoing a rehabilitation financed through a Low-Income Housing Tax Credit re-syndication and a RAD/Section 18 conversion of the public housing units in the property.

**77<sup>th</sup> & Bancroft** – California Affordable Housing Initiatives, Inc. (CAHI), a nonprofit affiliate of the Authority, owns the vacant 0.75-acre parcel on Bancroft Avenue between 76th Avenue and 77th Avenue in East Oakland (77th & Bancroft). In June 2023, CAHI selected Eden Housing and Black Cultural Zone as co-developers for the site. An Exclusive Negotiating Agreement (ENA) was executed with the development team in November 2023. The development team has started due diligence, community outreach, and schematic design, with plans to develop an approximately 90-unit building for low-income seniors.

Schematic design started in summer 2024, and the Lease Disposition and Development Agreement (LDDA) is anticipated to be negotiated and executed by mid-2025. The Authority Board of Commissioners has made a conditional commitment of \$10,000,000 of Authority MTW funds to this project. The Eden Housing/Black Cultural Zone team will continue working on predevelopment activities and assembling financing for the project.

**Chinatown TOD Senior Housing** – Chinatown TOD Senior Housing is a 97-unit new construction affordable housing project consisting of studio, one-, and two-bedroom units serving seniors, including 44 permanent supportive housing for formerly homeless seniors in Oakland’s Chinatown neighborhood at the location of the Lake Merritt BART station. The project developer is the East Bay Asian Local Development Corporation (EBALDC).



The Authority committed to providing \$7,091,100 in Rental Assistance Subsidy to Chinatown TOD Senior Housing in December 2023. Construction on the project began in September 2024, and completion is expected in summer 2026.

***East 12<sup>th</sup> Street Affordable Housing*** – East 12<sup>th</sup> Street is a 91-unit affordable family development that is a joint venture between EBALDC, Jordan Real Estate Investments and the Unity Council. The property will serve 67 families whose incomes range are between 40% - 60% of the median income and 23 formerly homeless families and transitional-aged foster youth with a full range of supportive services. The property will also include 425 square feet of commercial space for a community-serving retail. The project is in the Eastlake neighborhood, one block away from Lake Merritt. OHA has awarded the project a \$9,850,000 development loan and a Rental Assistance Subsidy of \$3,615,000 over 15 years. The project broke ground in April 2024 and is expected to have a 24-month construction period.

## **Financial Information**

The Authority's management is responsible for establishing and maintaining internal controls designed to ensure that the Authority's assets are protected from loss, theft or misuse and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The Authority has designed its internal controls to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the costs of a control should not exceed the benefits likely to be derived, and that the valuation of the costs and benefits requires estimates and judgment by management.

## **Single Audit**

As a recipient of federal awards, the Authority is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws, regulations, contracts, and grants related to these programs. These internal controls are subject to periodic evaluation by management and the independent auditors.

As part of the Authority's single audit, tests are made to determine the adequacy of the internal controls, including that portion related to federal award programs, as well as to ensure that the Authority has complied with applicable laws, regulations, contracts, and grants. Reports were prepared for this purpose and are included in this ACFR in the federal compliance section.

## **Debt Administration**

We are pleased to announce that on June 30, 2024, the Authority's primary government had no outstanding debt.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to Oakland Housing Authority for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the 11<sup>th</sup> consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirement and we are submitting it to GFOA to determine its eligibility for another certificate

### **Acknowledgements**

Preparation of the Annual Comprehensive Financial Report on a timely basis was accomplished through the dedicated service of the entire staff of the Finance Department. Each member of the Finance Department has our sincere appreciation for the contributions made in the preparation of its report.

In closing, without the leadership and support of the members of the Board of Commissioners, preparation of this report would not have been possible.

Respectfully submitted,

*Patricia Wells*

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Patricia Wells  
Executive Director

*Duane Hopkins*

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Duane Hopkins  
Chief Officer of Program & Finance Administration

*Victor Madamba*

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Victor Madamba  
Director of Finance



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Housing Authority of the City of Oakland  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

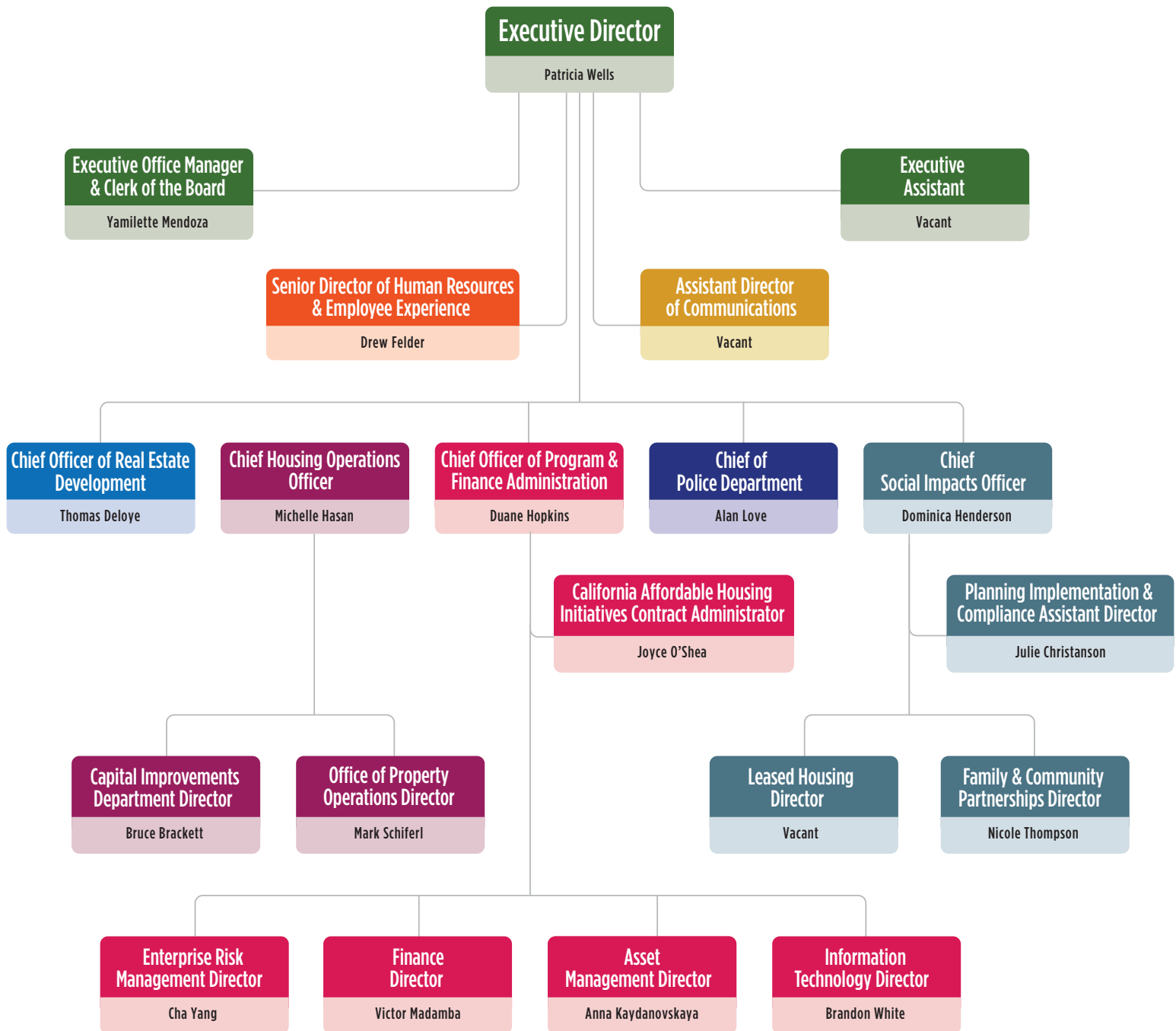
June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

# SUPPORTING OUR OHA COMMUNITY

## Organization Chart





# BOARD OF COMMISSIONERS



ANNE GRIFFITH  
Chair



GREGORY D. HARTWIG  
Vice-Chair



JANNY CASTILLO  
Commissioner



LYNETTE JUNG LEE  
Commissioner



WILLIAM MAYES  
Commissioner



BARBARA MONTGOMERY  
Commissioner

# LEADERSHIP



**PATRICIA WELLS**  
Executive Director



**DUANE HOPKINS**  
Chief Officer of Program &  
Finance Administration



**VICTOR MADAMBA**  
Director of Finance



**DOMINICA HENDERSON**  
Chief Social Impact Officer



**CHIEF ALAN LOVE**  
Chief of Oakland Housing Authority  
Police Department



**MICHELLE HASAN**  
Chief Housing Operations Officer



**THOMAS DELOYE**  
Chief Officer of  
Real Estate Development

# FINANCIAL SECTION

Independent Auditor's Report

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Management's Discussion and Analysis

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Basic Financial Statements

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Notes to Basic Financial Statements

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## Independent Auditor's Report

Members of the Board of Commissioners of the  
Housing Authority of the City of Oakland, California  
Oakland, California

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the business-type activities (primary government) and the aggregate discretely presented component units of the Housing Authority of the City of Oakland, California (Authority), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority, as of June 30, 2024, and the respective changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the aggregate discretely presented component units of the Authority which represent 100% of the assets, net position and revenues of the aggregate discretely presented component units as of and for the year ended June 30, 2024. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the aggregate discretely presented component units, are based solely on the reports of the other auditors.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Chestnut Linden Associates, Foothill Family Apartments, L.P., Lion Creek Senior Housing Partners, L.P., AveVista Associates, L.P., and Oak Groves Senior Housing, L.P. discretely presented component units, were not audited in accordance with *Government Auditing Standards*.

#### **Emphasis of Matter**

As discussed in Note 1.(b), the financial statements referred to above do not include the financial statements of Lion Creek Crossings Phase I Housing Partners, L.P., a discrete component unit as this entity was formed in September, 2023, and has not been in operation a full year as of June 30, 2024. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

The Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the net pension liability/(asset) and related ratios – miscellaneous plan, the schedule of proportionate share of the net pension liability/(asset) and related ratios – safety plan, the schedule of pension contributions, the schedule of changes in the net other postemployment benefit (OPEB) liability/(asset) and related ratios, and the schedule of OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining program financial schedules; the schedule of annual contribution contracts for the capital fund program (CFP); and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining financial schedules; the schedule of annual contribution contracts for the capital fund program (CFP); and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

The Authority's management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

Sacramento, California  
December 30, 2024

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Management's Discussion and Analysis (Unaudited)  
For the Year Ended June 30, 2024

This section of the Housing Authority of the City of Oakland's (Authority) financial report presents management's discussion and analysis of the Authority's financial performance during the year ended June 30, 2024. Please read it in conjunction with the Authority's basic financial statements and related notes, which follow this section.

As required under accounting principles generally accepted in the United States of America (GAAP), the Authority uses the accrual basis of accounting to prepare its basic financial statements. Under this basis of accounting, revenues are recognized in the period in which they are earned and expenses, including depreciation, are recognized in the period in which they are incurred. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operations of the Authority are included in the statement of net position. Net position comprises the various net earnings from operating income, nonoperating revenues and expenses and capital contributions.

**Financial Highlights**

- The Authority's total increase in net position of \$34.5 million from \$798.9 million to \$833.4 million is a result of increase from operating and nonoperating activities, which includes \$17.6 million from the Housing Choice Voucher (HCV) and Moving To Work (MTW) programs, development activities, other operating grants, and miscellaneous revenues; \$19.6 million from investment income; \$5.5 million reduction in other postemployment benefits (OPEB) actuarial expense by an actuarial valuation dated June 30, 2023; \$1.5 million from other nonoperating activities; and offset by \$9.8 million from depreciation and amortization expense.
- Total assets increased by \$56.0 million. This is primarily due to an increase of \$53.9 million in restricted cash from HCV and MTW program operations offset by a \$25.6 million decrease in unrestricted cash. Additionally, there were increases of \$11.4 million in long term notes receivable, \$7.5 million in net OPEB asset, and \$8.8 million in capital assets.
- The increase of \$16.7 million in total deferred inflows of resources is due to changes in pension and OPEB related balances.
- Total liabilities increased by \$39.4 million. Contributing to this increase included \$35.5 million increase of unearned revenue from HCV and MTW program operations, \$3.0 million increase in the Authority's net pension liability, and \$1.0 million increase in amount due to HUD.
- The decrease of \$1.2 million in total deferred outflows of resources is due to changes in pension and OPEB related balances.
- Total operating revenues increased by \$53.6 million from \$1,195.3 million to \$1,248.9 million. The increase is primarily due to \$52.7 million increase in subsidy revenue from the Department of Housing and Urban Development (HUD), \$6.6 million increase in operating grants, and \$2.2 million increase in miscellaneous and other revenue, offset by \$8.0 reduction in rental income. Total operating expenses increase by \$80.0 million primarily due to increase of \$70.6 million in housing assistance payments, \$8.7 million in administrative, tenant services, utilities, maintenance and operations, and general expenses, and \$0.7 million in depreciation expense.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2024

**Overview of the Financial Statements**

The financial section of this report consists of the independent auditor's report, management's discussion and analysis, the basic financial statements and supplementary information. The basic financial statements include the following:

The *Statement of Net Position* reports on the Authority's short and long-term assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Amounts are reported in order of relative liquidity and are shown in the statement as current (to be received or used within one year) or noncurrent.

The *Statement of Revenues, Expenses and Changes in Net Position* provides information about the Authority's overall financial position and results.

The *Statement of Cash Flows* reports how the Authority obtained and used its cash during the fiscal year. Activities are reported by its operating, noncapital financing, capital and related financing, and investment activities. This statement was prepared using the direct method and includes a reconciliation of operating activities to operating income.

Notes to Basic Financial Statements provides additional disclosures and are considered an integral part of the basic financial statements. These disclosures supplement the statements and are essential to a comprehensive understanding of the financial activities of the Authority.

The remainder of the overview section of management's discussion and analysis explains the structure and contents of each of these statements. The basic financial statements include both blended and discretely presented component units. Complete financial statements of individual component units can be obtained from the Authority's Finance Department.

In addition to the basic financial statements, this report provides supplementary information. Supplementary information includes schedules related to the Authority's pension plans, and other postemployment benefits plan as well as Combining Schedules for its Federal, Other Housing and General Programs.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2024

**Financial Analysis of the Authority**

**Net Position** The Authority's net position increased by \$34.5 million during the current fiscal year represents an increase of 4% of net position. A summary of the statement of net position as of June 30, 2024 and 2023 is shown in the following table (dollars in millions):

|                                  | June 30  |          | Increase/(Decrease) |      |
|----------------------------------|----------|----------|---------------------|------|
|                                  | 2024     | 2023     | Amount              | %    |
| <b>Assets:</b>                   |          |          |                     |      |
| Current and other assets         | \$ 744.1 | \$ 696.9 | \$ 47.2             | 7%   |
| Capital assets                   | 166.9    | 158.1    | 8.8                 | 6%   |
| Total assets                     | 911.0    | 855.0    | 56.0                | 7%   |
| Deferred outflows of resources   | 45.6     | 28.9     | 16.7                | 58%  |
| <b>Liabilities:</b>              |          |          |                     |      |
| Current liabilities              | 89.5     | 52.9     | 36.6                | 69%  |
| Noncurrent liabilities           | 15.5     | 12.7     | 2.8                 | 22%  |
| Total liabilities                | 105.0    | 65.6     | 39.4                | 60%  |
| Deferred inflows of resources    | 18.2     | 19.4     | (1.2)               | -6%  |
| <b>Net position:</b>             |          |          |                     |      |
| Net investment in capital assets | 166.9    | 157.6    | 9.3                 | 6%   |
| Restricted                       | 208.2    | 88.7     | 119.5               | 135% |
| Unrestricted                     | 458.3    | 552.6    | (94.3)              | -17% |
| Total net position               | \$ 833.4 | \$ 798.9 | \$ 34.5             | 4%   |

The net increase in the Authority's current and other assets was 7% or \$47.2 million from the prior year. Significant balances with fluctuations compared to the prior year include:

- Unrestricted cash – Decreased by \$25.6 million driven by increases in maintenance and site improvements, development activities, and administrative expense.
- Receivables from HUD – Increased by \$2.4 million due timing differences of subsidy revenue received from HUD.
- Tenant receivables – Increased by \$4.6 million due to uncollectible rent and there were no write offs on uncollectible tenant rent during the fiscal year.
- Other receivables – Decreased by \$9.4 million. Factors contributing to the decrease include the \$8.3 million decrease primarily due to change in methodology for the allowance for doubtful accounts of Oakland Affordable Housing Preservation Initiative, a blended component unit, and the \$1.6 million of 2022 developer fee received from Oak Groves Senior Housing LP.



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2024

- Restricted cash – Increased by \$53.9 million. Factors contributing to the increase include \$17.7 million Local Housing Support Program funds provided by the County of Alameda (\*), \$14.9 million additional funding from HUD to fund the Authority's pension contribution to CalPERS, \$13.1 million additional funding from HUD to fund for acquisition, development, and rehabilitation activities, and interest income earned on cash reserves.

\* Related to the California Affordable Housing Initiatives, Inc., a blended component unit of the Authority.

- Interest receivable – Increased by \$1.2 million driven by accrued interest on outstanding notes receivable.
- Notes receivable from component units – Decreased by \$1.0 due to \$0.8 million repayment received from Lion Creek Senior Housing Partners LP, \$0.1 million repayment received from Village Side Housing Partners, and \$0.1 million repayment received from Lion Way Housing Partners.
- Notes receivable from others – Increased by \$12.5 million due to the development loans of \$8.5 million to East 12<sup>th</sup> Street Housing LP, \$2.1 million to Friendship Senior Housing LP, \$1.5 million to Oakland Housing Initiatives, \$0.3 million to the Lake Park Oakland EAH LLC, and \$0.1 million to 285 12<sup>th</sup> Street LP.
- Net OPEB Asset – The Authority's net OPEB asset increased \$7.5 million based upon the most recent actuarial valuation for the measurement date of June 30, 2023. The increase is a result of favorable results from investment earnings.

The net increase in the Authority's capital assets was 6% or \$8.8 million from the prior year, driven by the increases of \$6.1 million in construction in process, \$12.0 million in site improvements projects, \$1.1 million in telecommunication, computer equipment and vehicle, and \$0.6 million in right-of-use of SBITA asset, offset by \$11.0 million accumulated depreciation.

The net increase in the Authority's total liabilities was \$39.4 million compared to the prior year due to:

- Accounts payable, accrued payroll and other liabilities timing differences accounted for a \$0.8 million increase.
- The Authority reported an increase in the net pension liability of \$3.1 million based on the actuarial valuation as of the measurement date of June 30, 2023.
- The biggest change contributing to the increase is the Authority's \$35.5 increase in unearned revenue due to HUD settlement of its yearly funding reconciliation of the Authority's program reserves as of June 30, 2024.

The significant changes in net position were due to factors as summarized below:

- Net investment in capital assets increased by \$9.3 million representing a net of additions of capital assets offset by depreciation/amortization expense.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2024

- Restricted net position for housing programs increased by \$53.5 million primarily due to committed and obligated funds for \$21.7 million of rehabilitation projects and \$6.8 million of new construction and development projects, and \$25.0 million of HAP and local program expense.
- Restricted net position for net OPEB assets is \$66.0 million.
- Unrestricted net position decreased by \$94.3 million primarily due to increase in operating expenses to support the HCV and MTW programs.

**Statement of Revenues, Expenses and Changes in Net Position** - This statement shows the sources of the Authority's changes in net position. A summary of the activities for the year ended June 30, 2024 and 2023 is shown in the following table (dollars in millions).

|                                      | June 30  |          | Increase/(Decrease) |      |
|--------------------------------------|----------|----------|---------------------|------|
|                                      | 2024     | 2023     | Amount              | %    |
| Revenues:                            |          |          |                     |      |
| Operating revenues:                  |          |          |                     |      |
| Rental income                        | \$ 38.4  | \$ 46.4  | \$ (8.0)            | -17% |
| Housing assistance payments revenues | 1,172.7  | 1,120.0  | 52.7                | 5%   |
| Other operating grants               | 6.6      | -        | 6.6                 | 100% |
| Miscellaneous and other revenues     | 31.2     | 29.0     | 2.2                 | 8%   |
| Nonoperating revenues:               |          |          |                     |      |
| Other nonoperating revenue           | 7.5      | 20.6     | (13.1)              | -64% |
| Investment income                    | 19.6     | 9.4      | 10.2                | 109% |
| Total revenues                       | 1,276.0  | 1,225.4  | 50.6                | 4%   |
| Expenses:                            |          |          |                     |      |
| Operating expenses:                  |          |          |                     |      |
| Housing assistance payments          | 1,121.0  | 1,050.4  | 70.6                | 7%   |
| Depreciation and amortization        | 10.6     | 9.0      | 1.6                 | 18%  |
| Other operating expenses             | 109.5    | 101.7    | 7.8                 | 8%   |
| Nonoperating expenses:               |          |          |                     |      |
| Other nonoperating expenses          | 0.4      | 5.8      | (5.4)               | -93% |
| Total expense                        | 1,241.5  | 1,166.9  | 74.6                | 6%   |
| Change in net position               | 34.5     | 58.5     | (24.0)              | -41% |
| Net position, beginning of year      | 798.9    | 740.4    | 58.5                | 8%   |
| Net position, end of year            | \$ 833.4 | \$ 798.9 | \$ 34.5             | 4%   |

**Revenues:** Total revenues increased by \$50.6 million with the following explanations:

- Decrease of \$8.0 million in rental income primarily due to change in methodology for the allowance for doubtful accounts estimate related to the Oakland Affordable Housing Preservation Initiatives (OAHPI), a blended component unit, scattered site units during the year ended June 30, 2024.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2024

- An increase of \$52.7 million in HAP revenue primarily due to increase in fair market rents and the number of the HUD contracts administered by CAHI, \$5.7 million increase in HAP funding for HCV program, \$4.7 million increase in HAP funding for the Emergency Housing Vouchers program primarily due to fully execution of voucher leased in the fiscal year ended June 30, 2024, \$3.5 million increase in HUD administrative fees due to increases in HAP contracts and voucher leased. Additionally, there were HUD budget authority factors that affected HAP revenue and HUD administrative fee revenue for MTW HCV programs:
  - HAP revenue - Higher MTW per-unit-cost, offset by a lower inflation factor for calendar year (CY)2024 and a lower proration factor. Per-unit-cost increased from \$2,032.66 in CY2023 to \$2,089.33 in FY2024. Inflation factor decreased from 7.505% in CY2023 to 2.788% in CY2024. Proration factor decreased from 100% in CY2023 to 99.5% in CY2024.
  - HUD administrative fee - Pro-ration factor increased from 97.167% in CY2023 to 99.5% in CY2024.
  - In addition to the calculation factors above, the Authority received HUD funding for additional 1 unit of new Fair Share Vouchers, 9 units of Rose of Sharon Vouchers with the purpose of set aside TPV at-risk-household, and a budget authority of \$1.6 million prorated at 98.25% for 81 units of Stability Vouchers for the purpose of ending homelessness in the community.
- Increase of \$10.2 million in investment income is driven by high interest rates.

**Expenses:** Total expense increased by \$74.6 million with the following explanations:

- Housing Assistance Payments – Increased by \$70.6 million primarily due to increased payments paid under California Affordable Housing Initiatives (CAHI) contract and increases in the payment standards the Authority paid to address the rising rent crisis in the City of Oakland.
- Other Operating Expenses increased by \$7.8 million due to increased costs associated with employee benefits, primarily pension and health care benefits, and an increase in management fees.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2024

**Capital Asset Activity**

During the year ended June 30, 2024, the Authority expended funds for buildings and improvements and construction in progress in the amount of \$18.1 million; the majority of that was used to address deferred maintenance in the buildings held by OAHPI. Additional information on the Authority's capital assets can be found in Note 6-Capital Assets.

The following summarizes the Authority's capital assets, net of accumulated depreciation and the changes for the years ended June 30, 2024 and 2023:

|                                       | June 30  |          | Increase/(Decrease) |     |
|---------------------------------------|----------|----------|---------------------|-----|
|                                       | 2024     | 2023     | Amount              | %   |
| Land                                  | \$ 80.0  | \$ 80.0  | \$ -                | 0%  |
| Construction in process               | 20.5     | 14.4     | 6.1                 | 42% |
| Building and improvements             | 349.6    | 337.6    | 12.0                | 4%  |
| Equipment and vehicles                | 18.2     | 17.1     | 1.1                 | 6%  |
| Right-of-use assets, SBITAs           | 1.9      | 1.3      | 0.6                 | 46% |
|                                       | 470.2    | 450.4    | 19.8                | 4%  |
| Accumulated depreciation/amortization | (303.3)  | (292.3)  | (11.0)              | 4%  |
| Total capital assets, net             | \$ 166.9 | \$ 158.1 | \$ 8.8              | 6%  |

**Long-Term Debt Activity**

The Authority did not have any long-term debt outstanding as of June 30, 2024 and 2023.

**Economic Condition and Outlook**

While the Authority recently began pursuing non-HUD opportunities and diversifying its sources of revenue, by and large the agency continues to rely on Congressional appropriations and HUD funding for 97% of its annual operating budget. Revenues provided by HUD come in multiple forms, such as operating subsidies, contracts, and grants, and all depend on Congress to pass legislation to fund the government through appropriations bills. The Authority has remained conservative in its budgeting and anticipates funding at the budgeted level for FY 2024, although capital expenditures for major renovations and development continue as planned.

The United States federal budget for fiscal year 2024 runs from October 1, 2023, to September 30, 2024, the government was initially funded through a series of temporary continuing resolutions. In FY24, Congress passed, and the President signed into law a series of continuing resolutions and two minibuss appropriations that provided funding through the end of the Federal FY. The first minibus package became law on March 9, 2024. The second minibus was signed by the President on March 23, 2024, and carried the HUD budget through the end of the year.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2024

Additionally, HUD Fair Market Rents (FMR) published for FY 2024 increased for all unit sizes by an average of approximately \$192 in the Oakland-Fremont market, which demonstrates the robust market for and increasing cost of housing, even during challenging economic times for retail and commercial real estate in the city.

**Contact**

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Housing Authority of the City of Oakland, Director of Finance, 1619 Harrison Street, Oakland, CA 94612.



# HOUSING AUTHORITY OF THE CITY OF OAKLAND, CALIFORNIA

## Statement of Net Position

June 30, 2024

(With Discretely Presented Component Units as of December 31, 2023)

|  | Primary<br>Government -<br>Business-Type<br>Activities | Discretely<br>Presented<br>Component<br>Units |
|--|--|---|
| Assets:  |  |   |
| Current assets:  |  |   |
| Unrestricted cash and cash equivalents                           | \$ 301,128,735   | \$ 5,837,386                                  |
| Accounts receivable, net:  |  |   |
| U.S. Department of Housing and Urban Development                 | 4,283,451  | -   |
| Tenants  | 11,324,221   | 668,802                                       |
| Others   | 17,232,358   | 1,108,897                                     |
| Prepaid expenses   | 1,934,994  | 862,134                                       |
| Restricted cash and cash equivalents                             | 144,251,580  | 12,901,227                                    |
| Total current assets   | 480,155,339  | 21,378,446                                    |
| Noncurrent assets:   |  |   |
| Interest receivable  | 11,638,547   | -   |
| Notes receivable from component units                            | 124,475,638  | -   |
| Notes receivable from others                                     | 41,506,639   | -   |
| Net OPEB asset   | 66,053,760   | -   |
| Other noncurrent assets  | 20,344,011   | 4,651,667                                     |
| Capital assets:  |  |   |
| Nondepreciable   | 100,486,674  | 16,924,035                                    |
| Depreciable and amortizable, net                                 | 66,370,440   | 293,013,402                                   |
| Total capital assets   | 166,857,114  | 309,937,437                                   |
| Total noncurrent assets  | 430,875,709  | 314,589,104                                   |
| Total assets   | 911,031,048  | 335,967,550                                   |
| Deferred outflows of resources:                                  |  |   |
| Pension related items  | 35,486,125   | -   |
| OPEB related items   | 10,099,833   | -   |
| Total deferred outflows of resources                             | 45,585,958   | -   |
| Liabilities:   |  |   |
| Current liabilities:   |  |   |
| Accounts payable   | 5,823,880  | 432,575                                       |
| Accrued payroll  | 2,564,199  | 62,416  |
| Accrued interest payable   | -  | 342,199                                       |
| Due to the U.S. Department of Housing and Urban Development      | 1,212,898  | -   |
| Unearned revenues  | 73,294,496   | 503,051                                       |
| Other accrued liabilities  | 5,568,364  | 4,214,656                                     |
| Tenant security deposits   | 769,381  | 710,877                                       |
| Current portion of compensated absences                          | 275,688  | -   |
| Current portion of long-term debt to others                      | -  | 2,530,981                                     |
| Total current liabilities  | 89,508,906   | 8,796,755                                     |
| Noncurrent liabilities:  |  |   |
| Compensated absences, net of current portion                     | 1,693,514  | -   |
| Net pension liability  | 12,827,987   | -   |
| Other accrued liabilities  | -  | 6,020,420                                     |
| Long-term interest payable                                       | -  | 17,053,153                                    |
| Interest payable due to primary government                       | -  | 10,712,675                                    |
| Long-term debt due to primary government, net of current portion | -  | 124,702,854                                   |
| Long-term debt to others, net of current portion                 | -  | 122,326,481                                   |
| Family self sufficiency deposits                                 | 977,512  | -   |
| Total noncurrent liabilities                                     | 15,499,013   | 280,815,583                                   |
| Total liabilities  | 105,007,919  | 289,612,338                                   |
| Deferred inflows of resources:                                   |  |   |
| Pension related items  | 1,104,065  | -   |
| OPEB related items   | 17,062,466   | -   |
| Total deferred inflows of resources                              | 18,166,531   | -   |
| Net position:  |  |   |
| Net investment in capital assets                                 | 166,857,114  | 62,336,924                                    |
| Restricted for   |  |   |
| Housing programs   | 142,212,802  | 12,190,350                                    |
| Net OPEB assets  | 66,053,760   | -   |
| Unrestricted   | 458,318,880  | (28,172,062)                                  |
| Total net position   | \$ 833,442,556   | \$ 46,355,212                                 |

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Statement of Revenues, Expense and Changes in Net Position

For the Year Ended June 30, 2024

(With Discretely Presented Component Units for the Year Ended December 31, 2023)

|  | Primary<br>Government -<br>Business-Type<br>Activities | Discretely<br>Presented<br>Component<br>Units |
|--|--|---|
| Operating revenues:                        |  |   |
| Rental income                              | \$ 38,417,404  | \$ 23,890,957                                 |
| Housing assistance payment revenues        | 1,172,698,627  | -   |
| Other operating grants                     | 6,626,468  | -   |
| Miscellaneous and other revenues           | 31,163,478   | 2,147,833                                     |
| Total operating revenues                   | <u>1,248,905,977</u>                                   | <u>26,038,790</u>                             |
| Operating expenses:                        |  |   |
| Housing assistance payments                | 1,121,026,415  | -   |
| Administrative                             | 47,704,480   | 4,252,544                                     |
| Tenant services                            | 1,338,273  | 16,226  |
| Utilities                                  | 5,191,181  | 3,170,660                                     |
| Maintenance and operations                 | 24,509,687   | 6,618,038                                     |
| General expenses                           | 30,732,546   | 3,843,959                                     |
| Depreciation and amortization              | 10,618,843   | 13,675,132                                    |
| Total operating expenses                   | <u>1,241,121,425</u>                                   | <u>31,576,559</u>                             |
| Operating income (loss)                    | <u>7,784,552</u>                                       | <u>(5,537,769)</u>                            |
| Nonoperating revenues (expenses):          |  |   |
| Investment income                          | 19,622,773   | 261,358                                       |
| Interest expense                           | -  | (6,302,605)                                   |
| Other nonoperating revenues                | 7,532,347  | -   |
| Other nonoperating expenses                | (467,155)  | (8,422)                                       |
| Total nonoperating revenues (expenses)     | <u>26,687,965</u>                                      | <u>(6,049,669)</u>                            |
| Income (loss) before capital contributions | 34,472,517   | (11,587,438)                                  |
| Capital contributions, net                 | -  | 42,404,316                                    |
| Change in net position                     | 34,472,517   | (11,587,438)                                  |
| Net position, beginning of year            | 798,970,039  | 15,538,334                                    |
| Net position, end of year                  | <u>\$ 833,442,556</u>                                  | <u>\$ 46,355,212</u>                          |

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Statement of Cash Flows  
For the year Ended June 30, 2024

|   | Primary<br>Government -<br>Business-Type<br>Activities |
|---|--|
| Cash flows from operating activities:                     |  |
| Receipts from tenants                                     | \$ 34,079,374  |
| Receipts from customers and others                        | 35,264,265   |
| Receipts from housing assistance programs                 | 1,205,748,183  |
| Payments to suppliers for goods and services              | (61,960,439)   |
| Housing assistance payments on behalf of tenants          | (1,120,057,721)  |
| Payments to employees for services                        | (70,449,641)   |
| Net cash provided by operating activities                 | <u>29,250,489</u>                                      |
| Cash flows from noncapital financing activities:          |  |
| Other operating grants received                           | 12,830,565   |
| Loans to related parties and component units              | (11,389,618)   |
| Net cash used by noncapital financing activities          | <u>1,440,947</u>                                       |
| Cash flows from capital and related financing activities: |  |
| Acquisition of capital assets                             | (20,362,392)   |
| Payments for SBITA  | (443,591)  |
| Net cash used in capital and related financing activities | <u>(20,805,983)</u>                                    |
| Cash flows from investing activities:                     |  |
| Interest received   | <u>18,378,328</u>                                      |
| Net change in cash and cash equivalents                   | 28,263,781   |
| Cash and cash equivalents, beginning of year              | <u>417,116,534</u>                                     |
| Cash and cash equivalents, end of year                    | <u><u>\$ 445,380,315</u></u>                           |

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Statement of Cash Flows (Continued)  
For the year Ended June 30, 2024

|   | Primary<br>Government -<br>Business-Type<br>Activities |
|---|--|
| Reconciliation of operating income to net cash<br>provided by operating activities:                           |  |
| Operating income  | \$ 7,784,552   |
| Adjustment to reconcile operating income to<br>net cash provided by operating activities:                     |  |
| Depreciation and amortization   | 10,618,843   |
| Other revenues  | (5,298,218)  |
| Other expenses  | (467,155)  |
| Adjustments to capital assets   | 962,799  |
| Change in net pension liability and net OPEB assets and<br>related deferred outflows and inflows of resources | (22,364,997)   |
| Decrease (increase) in:   |  |
| Accounts receivables  | 2,411,248  |
| Prepaid expenses  | (219,812)  |
| Other noncurrent assets   | (993,530)  |
| Increase (decrease) in:   |  |
| Accounts payable  | 784,275  |
| Accrued payroll   | 171,311  |
| Due to the U.S. Department of Housing and Urban Development   | 968,694  |
| Tenant security and family self sufficiency deposits  | 230,990  |
| Unearned revenues   | 35,468,293   |
| Compensated absences  | (551,475)  |
| Other accrued liabilities   | (255,329)  |
| Net cash provided by operating activities   | <u>\$ 29,250,489</u>                                   |
| Cash and cash equivalents:  |  |
| Unrestricted cash and cash equivalents  | \$ 301,128,735   |
| Restricted cash and cash equivalents  | <u>144,251,580</u>                                     |
| Total cash and cash equivalents   | <u>\$ 445,380,315</u>                                  |

See accompanying notes to basic financial statements.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements  
For the Year Ended June 30, 2024

**NOTE 1 – THE FINANCIAL REPORTING ENTITY**

**(a) Organization and Program Descriptions**

The Housing Authority of the City of Oakland (Authority) was founded by City of Oakland ordinance, under the Health and Safety Code of the State of California in 1938. The Authority was established to receive federal funds to provide housing for low-income residents of the City of Oakland, California. The United States Department of Housing and Urban Development (HUD) has direct responsibility for administering the Low Rent Housing Program under the United States Housing Act of 1937, as amended. HUD is authorized to enter into contracts with local public housing authorities in financing the acquisition, construction and/or leasing of housing units and to make annual contributions (subsidies) to local housing authorities for the purpose of maintaining low-rent character of the local housing program. Under an administrative form of contract, HUD has conveyed certain federally built housing units to the Authority for low rent operations.

The Authority was selected to participate in HUD's Moving to Work (MTW) Demonstration Program effective on March 31, 2004. The program allows the Authority an exemption from a multitude of HUD regulations and reporting requirements and significant flexibility to combine its HUD funding for reallocation among the Authority's administrative, capital and development activities.

The Authority has elected to report a single enterprise proprietary fund and its primary operations comprise a number of housing and grant programs as follows:

- **Low Rent Housing Program** – operates the Authority's own rental housing units subsidized by HUD through an Annual Contributions Contract (ACC). This program has 1,454 units owned as of June 30, 2024, and is operated by the Authority under HUD contract SF-235. Funding is provided by tenant rent payments and intra-program transfers from the MTW Demonstration program representing subsidies provided by HUD based upon a formula that takes into consideration factors such as: prior formula funding, population of the area, number of dwelling units, bedroom sizes, building height and building age, utility costs, and rental income.
- **Section 8 Programs** – consists of several Section 8 housing programs including the Section 8 New Construction and Substantial Rehabilitation program, the Section 8 Moderate Rehabilitation program, the Section 8 Housing Choice Vouchers program, the Moving to Work Demonstration program and the Mainstream Voucher program.
  - The *New Construction and Substantial Rehabilitation* program purpose is to construct or purchase and rehabilitate rental housing units to provide decent and affordable housing to low-income, elderly and handicapped individuals whereby rental assistance is provided by HUD. Funding of the program is provided primarily by federal housing assistance contributions.
  - The *Moderate Rehabilitation* program operates under HUD's ACC S-0068K and consists of the operations of 94 privately owned family housing units. The purpose of the program is to rehabilitate substandard rental housing units and to provide decent and affordable housing to low-income families whereby rental assistance is provided by HUD. The associated developments are maintained and managed by private landlords. Funding of the program is provided by federal housing assistance contributions.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 1 – THE FINANCIAL REPORTING ENTITY (Continued)**

**(a) Organization and Program Descriptions (Continued)**

- The *Housing Choice Vouchers* program provides rental housing assistance subsidies in support of 14,513 housing units. The purpose of the program is to provide decent and affordable housing to low-income families and elderly and handicapped persons wherein rental assistance is provided by HUD. The associated units are maintained and managed by private landlords.
- The *Moving to Work Demonstration* program provides incentives to families to become economically self-sufficient, to reduce the Authority's costs and achieve greater cost effectiveness, and to increase housing choice for low-income families.
- The *Mainstream Voucher* program provides rental housing assistance subsidies in support of 262 housing units. The purpose of the program is to provide decent and affordable housing to low-income families and elderly and handicapped persons wherein rental assistance is provided by HUD. The associated units are maintained and managed by private landlords.
- **Hope VI Program** - accounts for the funds from HUD's Hope VI Urban Revitalization Grant used to redevelop the Authority's housing facilities. These facilities include Chestnut Court, Linden Court, Mandela Gateway, Lion Creek Crossings, and Foothill.
- **Other Federal Programs** - other federal programs that the Authority administers include Family Self Sufficiency and Shelter Plus Care.
- **Other Housing Programs** – consists of other low-income housing programs funded from local and other non-federal sources.

**(b) Reporting Entity**

The Authority is governed by a seven-member Board of Commissioners appointed by the mayor of the City of Oakland (City), with the approval of the Oakland City Council. Two members are residents of the Authority. However, the Authority is not a component unit of the City because the City cannot impose its will on the Authority by significantly influencing the Authority's programs, projects, activities, or level of services provided.

As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present the Authority (Primary Government) and its component units, entities for which the Authority is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the Authority's operations. Therefore, data from these component units are combined with data of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 1 – THE FINANCIAL REPORTING ENTITY (Continued)**

**(b) Reporting Entity (Continued)**

Management applied the criteria promulgated by the Governmental Accounting Standards Board (GASB) to determine whether the component units should be reported as blended or discretely presented component units. The criteria included whether the Authority appoints the voting majority of the governing board, there is a financial benefit/burden relationship, whether the Authority is able to impose its will, fiscal dependency on the Authority, the component unit's governing body being substantially the same as the Authority, and whether management of the Authority have operational responsibility for the activities of the component unit. These criteria were used to determine the following:

**Blended Component Units**

- **California Affordable Housing Initiatives, Inc.** – The California Affordable Housing Initiatives, Inc. (CAHI) was created as a non-profit public benefit organization of the Authority and incorporated in 2001. CAHI is under contract with HUD to administer the Project-Based Voucher Program for Northern California. CAHI's policies are determined by a three-member Board of Directors, which comprise the Chair and Vice Chair of the Authority's Board of Commissioners (Board) and the Authority's Executive Director. Management of the Authority has operational responsibility for CAHI. Therefore, CAHI's financial statements are blended into the Authority's financial statements as part of Other Housing Programs.
- **Oakland Affordable Housing Preservation Initiatives** – The Oakland Affordable Housing Preservation Initiatives (OAHPI), a non-profit public benefit corporation affiliated with the Authority, was established in February 2009 for the purpose of managing and controlling 329 buildings acquired from the Authority in April 2010. OAHPI acquired these buildings from the Authority through a negotiated sale at less than fair value in the form of a 30-year lease at a nominal price of \$1 per year. OAHPI's policies are determined by a three-member Board of Directors, which comprise the Authority's Executive Director and two members of the Authority's Board of Commissioners. The Authority provides operational revenue in the form of Housing Assistance Payments on a yearly basis. Furthermore, management of the Authority has operational responsibility for OAHPI. Therefore, OAHPI's financial statements are blended into the Authority's financial statements as part of Other Housing Programs.



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 1 – THE FINANCIAL REPORTING ENTITY (Continued)**

**(b) Reporting Entity (Continued)**

**Discrete Component Units**

The following discrete component units' fiscal year ended on December 31, 2023, and their financial activities are reported as of that date.

- **Chestnut Linden Associates** – Chestnut Linden Associates (CLA), a real estate development limited partnership, was formed in 2001 to develop and operate a 151-unit multi-family rental housing apartment complex in the City of Oakland, California, operating as Chestnut Court Apartments and Linden Court Apartments. Construction of Chestnut Court and Linden Court was completed in April and June 2003, respectively. CLA leases the land on which the apartment complex is situated from the Authority. CLA has obtained HUD loans and other loans through the Authority and receives annual rental subsidies for occupied units covered under agreements with HUD and the Authority through 2058.

The Authority has significant influence over CLA given its significant financial relationships and ownership interests. The limited partner of CLA is OHA Development, LLC, a California public benefit nonprofit corporation, which is controlled by the Authority (the Authority is the sole member and manager of OHA Development, LLC). In addition, the Authority participates in OHA Chestnut Mandela, LLC, a Special Limited Partner, appointing two of the five members of its board.

- **Mandela Gateway Associates** – Mandela Gateway Associates (MGA) was recognized by the State of California as a limited partnership as of September 26, 2002. MGA's purpose is to invest in real estate and to construct, operate and lease the property known as Mandela Gateway. The property consists of a 168-unit rental apartment complex in the City of Oakland, California. Mandela Gateway was placed in service in 2004 and fully leased in 2005. MGA leases the land on which the apartment complex is situated from the Authority. MGA has obtained HUD loans and other loans through the Authority, and receives its annual rental subsidies for occupied units covered under agreements with HUD and the Authority through 2078.

The Authority has significant influence over MGA given its significant financial relationships and ownership interests. The Investor Limited Partner and Special Limited Partner of CLA is OHA Development, LLC, a California public benefit nonprofit corporation, which is controlled by the Authority. In addition, the Authority participates in OHA Chestnut Mandela, LLC, a Class B Special Limited Partner.

- **Oakland Coliseum Housing Partners, L.P.** – Oakland Coliseum Housing Partners, L.P. (OCHP), a real estate development limited partnership, was formed in 2003 to develop and operate a 115-unit multi-family rental housing apartment complex in the City of Oakland, California known as Lion Creek Crossings – Phase I. Construction of Lion Creek Crossings – Phase I was completed in 2005. OCHP leased the land on which the apartment complex is situated from the Authority and obtained HUD loans through the Authority, and it received annual rental subsidies for occupied units covered under agreements with HUD and the Authority.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 1 – THE FINANCIAL REPORTING ENTITY (Continued)**

**(b) Reporting Entity (Continued)**

In June 2024, the Authority and the other partners in OCHP completed a “resyndication” of Lion Creek Crossings – Phase I in order to obtain new Low-Income Housing Tax Credits to help finance a rehabilitation of the apartment complex. OCHP sold Lion Creek Crossings – Phase I to a new limited partnership, Lion Creek Crossings Phase I Housing Partners, L.P. (LCCIHP), which entered into an amended and restated ground lease from the Authority and assumed the loan that the Authority had previously made to OCHP. The purchase of the improvements by LCCIHP was partially financed by a seller carryback loan from OCHP.

The former Administrative General Partner and Managing General Partner of OCHP withdrew from the partnership through the resyndication. They were replaced by RHI Lion Creek LLC. The sole member and manager of RHA Lion Creek LLC is RAMP Housing, Inc., which is a supporting organization of the Authority. OHA Development LLC, a limited liability company whose sole member and manager is the Authority, is the Investor Limited Partner and Class A Special Limited Partner of OCHP. OHA Coliseum LLC, a limited liability company whose sole member and manager is the Authority, is the Class B Special Limited Partner.

The Authority has significant influence over OCHP given its significant financial relationships and ownership interests. The partners of OCHP are all controlled by either the Authority or RAMP Housing Inc.

- **Lion Creek Crossings Phase I Housing Partners, L.P.** – Lion Creek Crossings Phase I Housing Partners, L.P. (LCCIHP), a real estate development limited partnership, was formed in September 2023 to acquire Lion Creek Crossings – Phase I, a 115-unit multifamily rental housing apartment complex in the City of Oakland, California, from OCHP, complete a rehabilitation of the complex financed through a Low-Income Housing Tax Credit resyndication, and operate the property going forward. LCCIHP leases the land on which the apartment complex is situated from the Authority. LCCIHP assumed the loan that was due from OCHP to the Authority, obtained a new Reserve Loan from the Authority, and it receives housing assistance payments from the Authority for units covered by project-based voucher contracts. At the time of the resyndication, OCHP provided a seller carryback loan to partially finance LCCIHP’s acquisition of the complex.

The interests in LCCIHP are all held by third parties unrelated to the Authority. However, the Authority has significant influence over LCCIHP given its ground lease of the Lion Creek Crossings – Phase I site and significant financial relationships.

- **Lion Way Housing Partners, L.P.** – Lion Way Housing Partners, L.P. (LWHP), a real estate development limited partnership, was formed in 2003 to develop and operate a 146-unit rental apartment complex in the City of Oakland, California known as Lion Creek Crossings – Phase II. Construction of Lion Creek Crossings – Phase II was completed in 2007. LWHP leased the land on which the apartment complex is situated from the Authority and obtained HUD loans and other loans through the Authority. LWHP received annual rental subsidies for occupied units covered under agreements with HUD and the Authority.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 1 – THE FINANCIAL REPORTING ENTITY (Continued)**

**(b) Reporting Entity (Continued)**

In June 2024, the Authority and the other partners in LWHP completed a “resyndication” of Lion Creek Crossings – Phase II in order to obtain new Low-Income Housing Tax Credits to help finance a rehabilitation of the apartment complex. LWHP sold Lion Creek Crossings – Phase II to a new limited partnership, Lion Creek Crossings Phase II Housing Partners, L.P., which entered into an amended and restated ground lease from the Authority and assumed the loans that the Authority had previously made to LWHP.

The former Administrative General Partner and Managing General Partner of LWHP withdrew from the partnership through the resyndication. They were replaced by RHI Lion Creek LLC.

The sole member and manager of RHI Lion Creek LLC is RAMP Housing, Inc., which is a supporting organization of the Authority. OHA Development LLC, a limited liability company whose sole member and manager is the Authority, is the Investor Limited Partner and Special Limited Partner of LWHP.

The Authority has significant influence over LWHP given its significant financial relationships and ownership interests. The partners of LWHP are all controlled by either the Authority or RAMP Housing Inc.

- **Creekside Housing Partners, L.P.** – Creekside Housing Partners, L.P. (CHP), a real estate development limited partnership, was formed in 2005 to develop and operate a 106-unit rental apartment complex in the City of Oakland, California known as Lion Creek Crossings – Phase III. Lion Creek Crossings – Phase III was completed in 2008. CHP leases the land on which the apartment complex is situated from the Authority. CHP and has obtained HUD loans and other loans through the Authority, and it receives annual rental subsidies for occupied units covered under agreements with HUD and the Authority. The agreements extend through the minimum period during which the project units are required by the applicable public housing requirements to be operated as public housing in accordance with the U.S. Housing Act of 1937, or the expiration of 40 years from the date of full availability.

The Authority has significant influence over CHP given its significant financial and ownership relationships. The managing general partner of CHP is Lion Creek III, LLC. Related/Oakland Coliseum III Development Co., LLC, is the administrative general partner. OHA Development, LLC, a limited liability company whose sole member and manager is the Authority, is the Limited Partner. OHA Coliseum, LLC, a limited liability company whose sole member and manager is the Authority, is the Class B Special Limited Partner.

- **Foothill Family Apartments, L.P.** – Foothill Family Apartments, L.P. (FFA), a real estate development limited partnership, was formed in 1999 to invest in real estate and to construct, operate, and lease property consisting of a 65-unit rental apartment complex in the City of Oakland, California known as Foothill Family Apartments. Construction of Foothill Family Apartments was completed in 2002. FFA leases the on which the apartment complex is situated land from the Authority. FFA has obtained HUD loans and other loans through the Authority, and it receives annual rental subsidies for occupied units covered under agreements with HUD and the Authority. The agreements extend through the minimum period during which the project units are required by the applicable public housing requirements to be operated as public housing in accordance with the U.S. Housing Act of 1937, or the expiration of 40 years from December 31, 2002

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 1 – THE FINANCIAL REPORTING ENTITY (Continued)**

**(b) Reporting Entity (Continued)**

The Authority has significant influence over FFA given its significant financial relationships and its partial ownership of the partnership. Oakland Housing Initiatives, Inc. (OHI), is the general partner. OHI is a California nonprofit public benefit corporation with 11 directors, which includes the Authority's Executive Director and the Chair of the Board of Commissioners. The Authority is the limited partner.

- **Tassafaronga Partners, L.P.** – Tassafaronga Partners, L.P. (TP), a California limited partnership, was formed in 2008 to develop Tassafaronga – Phase I (TP Phase I). The entire project (Tassafaronga Village) consists of the demolition of 16 buildings containing 87 units of severely distressed public housing and the construction of 77 affordable rental town homes, 60 affordable rental apartments, and 20 affordable rental units in a renovated former pasta factory located on four parcels of land in the City of Oakland. TP Phase I consists of 137 tax credit rental units and ancillary improvements located on the land. TP owns, operates and manages the project. The project began operations in April 2010. The general partner of TP is Tassafaronga Housing Corporation, a California public benefit nonprofit corporation (THC), which is controlled by the Authority (the Authority staff and Board constitute the board of directors of THC) and the limited partner is NEF Assignment Corporation, an Illinois not-for-profit corporation, which owns 99.99%.

The Authority has significant influence over TP given its significant financial relationships. The Authority is the owner of the land, the ground lessor of the project, guarantor and issued \$31,305,000 in Bonds that were purchased by Citicorp and loaned to TP.

- **Tassafaronga Partners II, L.P.** – Tassafaronga Partners II, L.P. (TP II), a California limited partnership, was formed in 2008 to develop Phase II of Tassafaronga Village. The project consists of approximately 20 multi-family rental units and ancillary improvements located on the land. TP II owns, operates and manages the project. The project began operations in May 2010. The general partner of TP II is also THC and the limited partner is also NEF Assignment Corporation.

The Authority has significant influence over TP II given its significant financial relationships. The Authority is the owner of the land, the ground lessor of the project, guarantor and on the \$4,450,000 in Bonds that were issued on August 1, 2009, and purchased by Citicorp and loaned to TP II.

- **Lion Creek Senior Housing Partners, L.P.** – Lion Creek Senior Housing Partners, L.P. (LCSHP), a California limited partnership, was formed in October 2011 to acquire certain real property and to provide low-income housing through the acquisition, construction, rehabilitation, operation and leasing of a single building complex, 128-unit residential apartment project located in Oakland operating under the name of Lion Creek Crossings Phase V. The managing general partner is Lion Creek V, LLC and the investor limited partner is Wells Fargo Affordable Housing Community Development Co.

The Authority has significant influence over LCSHP given its significant financial relationships. The Authority is the owner of the land, the ground lessor of the project, and is obligated to provide funds to meet all operating deficits.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 1 – THE FINANCIAL REPORTING ENTITY (Continued)**

**(b) Reporting Entity (Continued)**

- **Village-Side Housing Partners, L.P.** – Village-Side Housing Partners, L.P. (VSHP), a California limited partnership, was formed in 2010 to develop a 72-unit low-income apartment complex operating under the name of Lion Creek Crossing – Phase IV. The project has 21-units which have been designated as public housing units and are subject to all requirements applicable to public housing under the U.S. Housing Act of 1937. The managing general partner of VSHP is Lion Creek IV, LLC. Related/Oakland Coliseum IV Development Co., LLC, is the administrative general partner. OHA Development, LLC, a limited liability company whose sole member and manager is the Authority, is the Limited Partner. OHA Coliseum, LLC, a limited liability company whose sole member and manager is the Authority, is the Class B Special Limited Partner.

The Authority has significant influence over VSHP given its significant financial relationships and ownership interests. The Authority is the owner and ground lessor of the land, guarantor, and limited partner.

- **AveVista Associates, L.P.** – AveVista Associates, L.P. (AveVista), a California limited partnership, was formed in October 2013 to develop and operate a 68-unit affordable housing development located in Oakland. The managing general partner is AveVista Associates LLC and the investor limited partner is Wells Fargo Affordable Housing Community Development Co.

The Authority has significant influence over AveVista given its significant financial relationships. The Authority owns the property and is the ground lessor of the property. AveVista's interests are primarily held by third parties unrelated to the Authority. The Authority has an ownership interest in AveVista through OHA Development LLC, a Class B Special Limited Partner, which is controlled by the Authority.

- **Oak Groves Senior Housing, LP** – Oak Groves Senior Housing, LP, (OGSH LP) a California limited partnership, was formed in October 2018 to acquire, rehabilitate, develop and operate a 151-unit senior affordable housing development, with a management office, located in Oakland. The general partner is RHI Oak Groves GP LLC, a California limited liability company, and the sole member/manager of RHI Oak Groves GP LLC is RAMP Housing, Inc., a California nonprofit public benefit corporation, and the tax credit investor limited partner is U.S. Bancorp Community Development Corporation, a Minnesota corporation (a public company).

The Authority has significant influence over Oak Groves Senior Housing, L.P. given its significant financial relationships. The Authority is a lender, owns the property, and is the ground lessor of the property.

Except for LCCIHP, the complete financial statements of individual component units can be obtained from the Director of Finance of the Authority at 1619 Harrison Street, Oakland, California, 94612. LCCIHP's reporting year end is December 31 and 2024 is its first year of operations, thus financial statements are not available.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Accounting**

The financial statements of the Authority are reported using the economic resources measurement focus and the accrual basis of accounting, whereby all revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Authority are included in the statement of net position.

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses are derived from providing services in connection with the Authority's ongoing operations. Operating revenues generally include rental income and housing assistance payments and fees from the Section 8 programs. Operating revenues also include other operating grants. Operating expenses generally include housing assistance payments, administrative expenses, tenant services, utilities, maintenance and operations, general expenses, and depreciation/amortization on capital assets. All other revenues and expenses not meeting the definition of operating revenues and expenses are reported as nonoperating revenues and expenses or as capital contributions.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

**(b) Cash and Cash Equivalents**

The Authority and its component units consider all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

**(c) Investments**

Investment transactions are recorded on the trade date and reported at fair value. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurements are categorized within the fair value hierarchy established by GAAP.

The table below identifies the investment types that are authorized for the Authority by HUD, the California Government Code or the Authority's investment policy, where more restrictive:

|                                   | <b>Maximum<br/>Maturity</b> | <b>Maximum<br/>Percentage of<br/>Portfolio</b> | <b>Maximum<br/>Investment in<br/>One Issuer</b> |
|-----------------------------------|-----------------------------|--|---|
| U.S. treasury obligations         | 10 years                    | None   | None  |
| U.S. government agency securities | 10 years                    | None   | 10%   |
| Certificates of deposit           | 10 years                    | None   | 10%   |
| Money market mutual funds         | n/a                         | None   | n/a   |

The Authority did not hold any investments at June 30, 2024.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Allowance for Bad Debts**

Management reviews the collectability of receivables on a periodic basis. The Authority established an allowance of \$2,718,522 for accounts receivable as of June 30, 2024.

**(e) Capital Assets**

The Authority defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The Authority records land, building and improvements, equipment, and vehicles on a historical cost basis, which includes land acquisition costs and site improvements, dwelling and non-dwelling structures and nonexpendable equipment. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are valued at their acquisition value on the date of the receipt. Costs of repairs and maintenance are expensed as incurred. Depreciation has been provided over the estimated useful lives of the related assets using the straight-line method.

The estimated useful lives are as follows:

|   | Primary<br>Government | Discrete Component Units |            |           |             |           |          |             |                   |           |            |
|---|-----------------------|--------------------------|------------|-----------|-------------|-----------|----------|-------------|-------------------|-----------|------------|
|   |                       | CLA                      | MGA        | OCHP      | LWHP        | CHP       | FFA      | TP and TPII | LCSHP<br>and VSHP | AveVista  | OGSH LP    |
| Dwelling and non-dwelling structures:                 |                       |                          |            |           |             |           |          |             |                   |           |            |
| Building  | 27.5 years            | 40 years                 | 7-40 years | 15-40 yrs | 15-27.5 yrs | 15-40 yrs | 40 years | 27.5 years  | 15-40 yrs         | 15-40 yrs | 27.5 years |
| Building improvements (on-site)                       | 10-15 years           | 15 years                 | 15 years   | 15-40 yrs | 15-27.5 yrs | 15-40 yrs | 40 years | 15 years    | 15-40 yrs         | 15-40 yrs | 15 years   |
| Off-site improvements                                 | n/a                   | 40 years                 | 40 years   | 15-40 yrs | 15-27.5 yrs | 15-40 yrs | 40 years | 15 years    | 15-40 yrs         | 15-40 yrs | 15 years   |
| Nonexpendable equipment:                              |                       |                          |            |           |             |           |          |             |                   |           |            |
| Office equipment, including<br>furniture and fixtures | 7 years               | 7 years                  | 7 years    | 10 years  | 5 years     | 10 years  | 5-10 yrs | 5 years     | 5 years           | 7 years   | 5 years    |
| Computer equipment and<br>related software            | 5 years               | n/a                      | n/a        | n/a       | n/a         | n/a       | n/a      | n/a         | n/a               | n/a       | n/a        |
| SBITAs  | 1-5 years             | n/a                      | n/a        | n/a       | n/a         | n/a       | n/a      | n/a         | n/a               | n/a       | n/a        |
| Vehicles  | 5 years               | n/a                      | n/a        | n/a       | n/a         | n/a       | n/a      | n/a         | n/a               | n/a       | n/a        |

**(f) Subscription-Based Information Technology Arrangements (SBITA)**

The Authority has several noncancellable subscription assets for the right-to-use information technology (refer to Note 8).

Short-term subscription assets: For arrangements that have a maximum possible term of 12 months or less at commencement, the Authority recognizes an expense, based on the provisions of the subscription assets contract.

Long-term subscription assets: For arrangements that have a maximum possible term of more than 12 months at commencement, and an individual value of \$250,000 or more, the Authority recognizes a subscription liability and subscription assets. For subscription assets that have a maximum possible term of more than 12 months at commencement and an individual value of less than \$250,000, the Authority recognizes an expense.



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) *Subscription-Based Information Technology Arrangements (Continued)***

*Measurement of subscription assets:* At subscription commencement, the Authority initially measures the subscription assets at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, less subscription payments made at or before the subscription commencement date, less any vendor incentives received at or before the subscription commencement date, plus the capitalizable implementation costs. The subscription-based IT arrangement asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying asset.

*Discount rate:* As the interest rate for the Authority is not readily determinable, the Authority uses the State of California's incremental borrowing rate of 2.4% to measure the present value of subscription assets.

*Subscription asset term:* This includes the noncancellable period of the subscription asset plus any additional periods covered by an option to extend that is reasonably certain to be exercised. Periods in which both the Authority and the vendor have a unilateral option to terminate, are excluded from the subscription term.

*Subscription asset payments:* The Authority evaluates payments to determine if they should be included in the measurement of the subscription liabilities, including those payments that require a determination of whether they are reasonably certain of being made. The Authority monitors subscription assets for possible changes that may require remeasurement if they could materially affect the amount of the liability and the related asset to be recognized.

**(g) *Other Noncurrent Assets***

The Authority reports its share of the Bay Area Housing Risk Management Agency's net position as other noncurrent assets (refer to Note 10). Other noncurrent assets also include costs incurred by the discrete component units in order to obtain permanent financing, tax credits, ground lease, and asset management services for the housing projects. These amounts are stated at cost and amortized on a straight-line method over the following years:

|                                |               |
|--------------------------------|---------------|
| Tax credit costs               | 10 - 15 years |
| Permanent loan costs           | 55 years      |
| Ground lease acquisition costs | 75 - 89 years |
| Asset management fees          | 15 years      |

**(h) *Compensated Absences***

Employees of the Authority are entitled to paid vacation, depending on job classification, length of service and other factors. Employees earn vacation at rates ranging from 10 days per year for the first 3 years of service up to a maximum of 25 days per year after 15 years of service. Vacation may be accrued to a maximum of 375 hours for employees on a 37.5-hour work week or 400 hours for employees on a 40 hour work week. The Authority has determined that a portion of this liability is noncurrent based on historical trends.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Net Position**

Net position comprises the various net earnings from operating income, nonoperating revenues and expenses and capital contributions. Net position is classified in the following three components:

*Net investment in capital assets* - This component of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings, and SBITA liabilities that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds

*Restricted* - This component of net position consists of constraints on assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation, reduced by liabilities related to those restricted assets.

*Unrestricted* - This component of net position consists of amounts that do not meet the definition of “restricted” or “net investment in capital assets.”

**(j) Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Authority’s Pension Plans (Plans) and additions to/deductions from the Plans’ fiduciary net positions have been determined on the same basis as they are reported by the California Public Employees' Retirement System (CalPERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. The Plans’ investments are reported at fair value.

**(k) Other Postemployment Benefits (OPEB)**

For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority’s plan (OPEB Plan) and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

**(l) Use of Estimates**

Management of the Authority has made certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(m) *Effects of New Governmental Accounting Standards***

The requirements of the following accounting standards are effective for purposes of implementation, if applicable to the Authority, for the year ended June 30, 2024.

- GASB issued Statement No. 99, *Omnibus 2022* Effective July 1, 2022, the Authority implemented Statement No. 99 paragraphs 4-10 (paragraphs 11-32 were implemented prior fiscal years ended June 30, 2022, and June 30, 2023, respectively). The objectives of this statement and these paragraphs are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation of certain GASB statements. These paragraphs of this standard had no material impact to the Authority.
- GASB issued Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62* Effective July 1, 2023, the Authority implemented Statement No. 100. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This standard had no material impact to the Authority.

**(n) *Upcoming Governmental Accounting Standards***

The Authority is currently evaluating its accounting practices to determine the potential impact on its financial statements from the following GASB Statements:

- In June 2022, GASB issued Statement No. 101, *Compensated Absences*, effective for fiscal years beginning after December 15, 2023.. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Authority has not determined the effect, if any, of this Statement on its financial statements.
- In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*, effective for fiscal years beginning after June 15, 2024. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The Authority has not determined the effect, if any, of this Statement on its financial statements.
- In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*, effective for fiscal years beginning after June 15, 2025. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The Authority has not determined the effect, if any, of this Statement on its financial statements.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
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For the Year Ended June 30, 2024

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(n) Upcoming Governmental Accounting Standards (Continued)**

- In October 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, effective for fiscal years beginning after June 15, 2025. The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets. The Authority has not determined the effect, if any, of this Statement on its financial statements.

**NOTE 3 – RESTRICTED ASSETS AND NET POSITION**

**(a) Oakland Affordable Housing Preservation Initiatives**

In accordance with the Authority's Board of Commissioners' approval and adoption on June 25, 2018, OAHPI established reserves for operating, capital replacement, and replacement development. As of June 30, 2024, these reserves totaled \$5,583,969, \$16,750,085 and \$56,006,117, respectively. Additionally, OAHPI reports \$13,920,705 in restricted cash related to its component unit, RAMP Housing, Inc as of June 30, 2024.

**(b) Net Other Postemployment Benefit (OPEB) Asset**

In previous years, OHA has made additional contributions to the California Employers' Retiree Benefit Trust Fund Program (CERBT) to prefund other postemployment benefits through CalPERS. As a result, the Authority's plan net position exceeds its total OPEB liability, creating a net OPEB asset as of June 30, 2024. This net OPEB asset, totaling \$66,053,762, is restricted in the statement of net position.

**(c) Moving to Work (MTW) program**

The MTW program uses federal funds to support housing-related activities, in accordance with program guidelines. As of June 30, 2024, MTW has \$28,054,724 of restricted cash allocated for future capital improvement projects, maintenance of affordable housing units, and operations that directly benefit low-income tenants.

**(d) California Affordable Housing Initiatives, Inc.**

Effective October 1, 2023, the Authority assigned and transferred all of its rights and obligations related to Local Housing Support Program grant funds provided by the County of Alameda to CAHI. These allocated funds are designated to support state housing initiatives and homeless incentive programs. As of June 30, 2024, a total of \$17,723,090 in restricted grant funds is included in the cash balance.

**(e) Tenant Security Deposits**

Upon moving into a public housing development, tenants are required to pay a security deposit, which is refundable when the tenant vacates the unit, provided that the unit's physical condition is satisfactory. At June 30, 2024, the Authority's security deposits in the amount of \$769,381 were included in the Low Rent Housing Program (\$256,059) and Other Housing Programs (\$513,322), respectively.

**(f) Family Self Sufficiency (FSS) Escrow**

The FSS Escrow Account is an interest-bearing account reported as part of restricted cash and cash equivalents and established by the Authority for each qualified Section 8 or public housing participant enrolled in the Section 8 Housing Choice FSS Program. The participants earn monthly escrow credits during their five-year Contract of Participation and the escrow credit is reported as a liability and is based

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 3 – RESTRICTED ASSETS (Continued)**

**(f) Family Self Sufficiency (FSS) Escrow (Continued)**

on increases in earned income of the family. The Authority may make a portion of this escrow account available to the family during the term of the contract to enable the family to complete an interim goal such as education. If the family completes the contract and no member of the family is receiving welfare, the amount of the FSS account is paid to the head of the family. If the Authority terminates the contract, or if the family fails to complete the contract before its expiration, the family's FSS escrow account is forfeited. At June 30, 2024, FSS funds of \$977,512 held in the Low Rent Housing (\$86,738) and Housing Choice Vouchers (\$890,774) are included in the accompanying statement of net position.

**(g) Affordability Reserves**

The Regulatory and Operating Agreements related to the Authority's involvement with CLA, MGA, OCHP, LWHP, CHP, FFA, and VSHP require the Authority to establish Affordability Reserve Accounts (Reserves) at Wells Fargo Bank upon certain triggering events specified in each agreement for the benefit of each Limited Partnership operating the properties. Disbursements from Reserves are restricted to paying for operating subsidies related to the Authority's Assisted Housing Units in months where the Authority is unable to meet its obligation to pay the operating subsidies. As required, the Authority's Low Rent Housing program has established Reserves in the amount of \$1,822,386 as of June 30, 2024.

**(h) Other Restricted Accounts**

At June 30, 2024, the Authority's Police Department maintains a restricted asset forfeiture account in the amount of \$100,657 and the Authority has other miscellaneous restricted reserves in the amount of \$14,090.

**NOTE 4 – CASH AND CASH EQUIVALENTS**

**(a) Cash and Cash Equivalents**

Cash and cash equivalents are presented in the accompanying statement of net position as of June 30, 2024 (primary government) and December 31, 2023 (discrete component units), and are summarized as follows:

|  | <b>Primary<br/>Government</b> | <b>Discrete<br/>Component<br/>Units</b> | <b>Total</b>          |
|--|-------------------------------|---|-----------------------|
| Unrestricted cash and cash equivalents | \$ 301,128,735                | \$ 5,837,386                            | \$ 306,966,121        |
| Restricted cash and cash equivalents   | 144,251,580                   | 12,901,227                              | 157,152,807           |
| Total cash and cash equivalents        | <u>\$ 445,380,315</u>         | <u>\$ 18,738,613</u>                    | <u>\$ 464,118,928</u> |

Cash as of June 30, 2024 (primary government) and December 31, 2023 (discrete component units), consist of the following:

|                                      | <b>Primary<br/>Government</b> | <b>Discrete<br/>Component<br/>Units</b> | <b>Total</b>          |
|--------------------------------------|-------------------------------|---|-----------------------|
| Cash on hand                         | \$ 5,350                      | \$ -                                    | \$ 5,350              |
| Deposits with financial institutions | 445,374,965                   | 18,738,613                              | 464,113,578           |
| Total cash and cash equivalents      | <u>\$ 445,380,315</u>         | <u>\$ 18,738,613</u>                    | <u>\$ 464,118,928</u> |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 4 – CASH AND CASH EQUIVALENTS (Continued)**

**(b) Custodial Credit Risk – Deposits**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Authority's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit for deposits. In addition, the California Government Code requires that a financial institution secure deposits in excess of FDIC limits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

**NOTE 5 – NONCURRENT NOTES AND INTEREST RECEIVABLE**

The Authority's noncurrent notes and interest receivable at June 30, 2024, represents the following:

|                           | From<br>Component<br>Units | From<br>Others       | Total                 |
|---------------------------|----------------------------|----------------------|-----------------------|
| Notes receivable:         |                            |                      |                       |
| Low Rent Housing          | \$ 13,438,861              | \$ -                 | \$ 13,438,861         |
| Moving To Work            | 1,334,516                  | 28,810,050           | 30,144,566            |
| HOPE VI                   | 33,830,300                 | -                    | 33,830,300            |
| OHA Other                 | 75,871,961                 | 12,696,589           | 88,568,550            |
| Total notes receivable    | <u>\$ 124,475,638</u>      | <u>\$ 41,506,639</u> | <u>\$ 165,982,277</u> |
| Interest receivable:      |                            |                      |                       |
| Low Rent Housing          | \$ 3,470,621               | \$ -                 | \$ 3,470,621          |
| Moving To Work            | 269,373                    | 215,260              | 484,633               |
| HOPE VI                   | 2,031,114                  | -                    | 2,031,114             |
| OHA Other                 | 5,652,178                  | -                    | 5,652,178             |
| Total interest receivable | <u>\$ 11,423,286</u>       | <u>\$ 215,260</u>    | <u>\$ 11,638,546</u>  |

Notes receivable of the primary government from the component units is \$124,475,638. The amounts of interest receivable from component units and notes payable and interest payable to the primary government in the accompanying financial statements differ due to the differences in the financial statement reporting dates (June 30, 2024, for the Authority, and December 31, 2023, for discrete component units).

**(a) Low Rent Housing Notes Receivable**

Terms and descriptions of the Low Rent Housing notes receivable are as follows:

**Chestnut Linden** - The Chestnut Linden Court Project is a HOPE VI project that was implemented in 2 phases: a homeownership phase (the Chestnut First-Time Homebuyer Development consisting of 15 units for sale up to 75% of the area median income); and a rental housing phase (Chestnut Linden, consisting of 151 units – 72 units on the Chestnut Court site (Chestnut), and 79 units on the Linden Court site (Linden)). Of the 151 units, 83 units are HUD-subsidized public housing units, 45 situated at Chestnut and 38 situated at Linden.

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CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 5 – NONCURRENT NOTES AND INTEREST RECEIVABLE (Continued)**

**(a) *Low Rent Housing Notes Receivable (Continued)***

On February 1, 2002, the Authority entered into a HOPE VI Construction/Permanent Loan Agreement with CLA whereby the Authority agreed to loan \$9,966,461 to CLA to finance the development of Chestnut Linden. The obligation to repay the loan is covered by 2 promissory notes – a \$4,789,596 note related to Chestnut, and a \$5,176,865 note related to Linden. The notes bear no interest, unless CLA is in default as defined in the loan agreement and have terms which expire 55 years after the date of the issuance of a Certificate of Occupancy for all units in Chestnut Linden by the City of Oakland. The outstanding balances on the notes, together with any accrued interest as a result of default, are due and payable at the earliest of (i) the date of any transfer of Chestnut Linden not authorized by the Authority; (ii) the date of any default; and (iii) the expiration of the 55-year period. Both notes are secured by HOPE VI Loan Leasehold Deeds of Trust, Assignment of Rents and Security Agreements recorded on February 13, 2002, wherein CLA is the trustee and the Authority is the beneficiary covering the property. The amount outstanding on this loan was \$9,368,861 as of June 30, 2024.

**Mandela Gateway** - The Mandela Gateway Project is a HOPE VI project that includes the Authority owned site on which was formerly the public housing complex known as Westwood Gardens. This project consists of approximately 168 units, including 46 HUD-subsidized public housing units, together with community and approximately 6,778 square feet of retail space.

On November 18, 2002, the Authority entered into an Amended and Restated Predevelopment Loan Agreement with Bridge Housing Corporation (BHC) whereby the Authority agreed to loan \$3,280,067 to BHC to finance certain predevelopment activities associated with the original Westwood Garden site and an additional site as part of the Mandela Gateway Project. This loan was non-interest bearing, and stipulated that it would expire on December 31, 2003, unless extended by the Authority or earlier terminated as provided in the agreement. The loan agreement was superseded by an MGA Construction/Permanent Loan as further described in the following paragraph, and the outstanding balance of \$721,514 advanced under the BHC loan was transferred to the MGA loan.

On February 1, 2003, the Authority entered into a HOPE VI Construction Loan Agreement with MGA whereby the Authority agreed to loan \$3,260,000 to develop the Mandela Gateway Project sites. The loan, evidenced by a promissory note, has a simple 5% interest rate on disbursements, and a term of 55 years from the date of issuance of a Certificate of Occupancy by the City of Oakland for all units in the Development. The principal and interest outstanding on this loan was \$3,260,000 and \$3,441,596 respectively, as of June 30, 2024.

On December 1, 2020, the Authority entered into an agreement with Mandela Gateway Commercial, LLC whereby the Authority agreed to loan \$810,000 to refinance the commercial portion of the Mandela Gateway Commercial Bridge Loan Agreement. The loan, evidenced by a promissory note, has a simple 1% interest rate on disbursements, and a term of 3 years. The principal and interest outstanding on this loan was \$810,000 and \$29,025, respectively, as of June 30, 2024.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 5 – NONCURRENT NOTES AND INTEREST RECEIVABLE (Continued)**

**(b) *Moving To Work Notes Receivable***

Terms and descriptions of the Moving to Work notes receivable are as follows:

**BRIDGE Norcal LLC (AveVista)** - On March 29, 2011, the Authority entered into a Predevelopment Loan Agreement with BRIDGE Norcal LLC (BRIDGE) whereby the Authority agreed to loan an amount not to exceed \$775,000 to finance predevelopment costs in connection with the Grand Avenue Development. On December 1, 2013, the Authority converted the loan from a predevelopment loan to a construction loan whereby the Authority agreed to loan an amount of \$8,326,105 to AveVista Associates, L.P. On September 1, 2016, the Board authorized the Executive Director to increase the loan amount to \$8,734,815. The loan bears simple interest at a rate of 3%. The loan is funded by the MTW and Other Housing programs in the amount of \$1,334,516 and \$7,400,300, respectively. As of June 30, 2024, the amount outstanding on the loan funded by the MTW and accrued interest were \$1,334,515 and \$269,373, respectively and the amount outstanding on the loan funded by Other Housing programs and accrued interest were \$7,400,300 and \$1,866,218, respectively.

**Acts Cyrene Apartments** - On November 1, 2015, the Authority entered into a Loan Agreement with Oakland International Housing Partners, LP whereby the Authority agreed to loan an amount of \$2,630,000 for construction and permanent financing for improvements of the Acts Cyrene Apartments. The loan bears no interest and has a term of the earlier of: (1) 55 years from the date of completion of the project, determined by the Certificate of Occupancy for all units, and (2) the repayment of all principal and interest outstanding under the loan. Repayments commenced on May 15 of the year following completion of construction of the improvements, and on May 15 of each year thereafter, for the term of the loan, payable from Residual Receipts as defined in the loan agreement. The Authority shall receive 50% of Residual Receipts generated by the development, which will be shared on a pro rata basis with the City of Oakland. The outstanding principal amount as of June 30, 2024 was \$2,594,094.

**Empyrean Hotel Project** - On November 1, 2015, the Authority entered into a Predevelopment Loan Agreement with Harrison Menlo Preservation LP whereby the Authority agreed to loan an amount of \$275,000 to rehabilitate the Empyrean Hotel to create 66 studio and one-bedroom units for low-income households. On March 29, 2018, the original Predevelopment Loan Agreement was amended, and replaced in its entirety by the Second Amended and Restated Predevelopment Loan Agreement Promissory Note, which provided a loan in the amount of \$1,410,000 and a third amendment increased the loan amount to \$4,570,000 on February 1, 2019. The loan bears no interest except in the event of default. The loan has a term of the earlier of (1) fifty-five (55) years from the date of completion or (2) the repayment of all principal and interest outstanding under the Loan. The outstanding principal amount as of June 30, 2024 was \$4,570,000.

**Lake Park Avenue Project** – On June 7, 2021, the Authority entered into a Predevelopment Loan Agreement with Lake Park Oakland EAH, LLC, whereby the Authority agreed to loan an amount not to exceed \$2,319,432 for predevelopment costs associated with the construction of an affordable multifamily rental project with approximately 53 units. The loan bears no interest except in the event of default. The loan has a term of the earlier of: (1) June 30, 2023, or (2) the date of construction closing. The outstanding principal amount as of June 30, 2024, was \$2,319,433.



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 5 – NONCURRENT NOTES AND INTEREST RECEIVABLE (Continued)**

**(b) Moving To Work Notes Receivable (Continued)**

**285 12<sup>th</sup> Street Project** – On October 18, 2021, the Authority entered into an Acquisition Bridge Loan Agreement with 285 12<sup>th</sup> Street, LLC, whereby the Authority agreed to loan an amount not to exceed \$7,100,880 for predevelopment costs associated with the construction of an affordable multifamily rental project with approximately 65 units. The loan will accrue interest at the rate of one percent (1%) per year, compounded annually. The loan has a term of the earlier of: (1) October 18, 2023 or (2) the date of the construction closing. The principal and interest outstanding on this loan was \$7,233,875 and \$191,115 respectively, as of June 30, 2024.

**Friendship Senior Apartments Project** – On September 1, 2023, the Authority entered into a Development Loan Agreement with Friendship Senior Housing, L.P, whereby the Authority agreed to loan an amount not to exceed \$2,100,000 to partially finance the construction of an affordable multifamily rental project with approximately 50 units. The loan bears 3% simple interest. The loan has a term of 55 years from the closing of the permanent financing for the project. Payments are due each May 15 beginning in 2026 from a share of the project's residual receipts, with unpaid interest accruing. The outstanding principal and interest outstanding on this loan was \$2,050,000 and \$24,145 respectively, as of June 30, 2024.

**East 12th Street Project** – On March 1, 2024, the Authority entered into a Development Loan Agreement with East 12th Street Housing, L.P, whereby the Authority agreed to loan an amount not to exceed \$9,850,000 to partially finance the construction of an affordable multifamily rental project with approximately 91 units. The loan bears no interest except in the event of default. The loan has a term of 55 years from the closing of the permanent financing for the project. Payments are due each May 15 beginning in 2027 from a share of the project's residual receipts, with unpaid interest accruing. The outstanding principal amount as of June 30, 2024, was \$8,542,648.

**Foothill Family Apartments Project** – On October 23, 2023, the Authority entered into a Predevelopment Loan Agreement with Oakland Housing Initiatives, Inc., whereby the Authority agreed to loan an amount not to exceed \$1,500,000 to finance predevelopment costs for a rehabilitation of the Foothill Family Apartments project, an affordable multifamily rental project with 65 units. The loan bears no interest except in the event of default. The term of the loan ends at the earlier of the closing of construction financing for the rehabilitation project or two years from the date of the Predevelopment Loan Agreement. The outstanding principal amount as of June 30, 2024, was \$1,500,000.

**(c) HOPE VI Notes Receivable**

Terms and descriptions of the HOPE VI notes receivable are as follows:

**Foothill Family Apartments** - On July 1, 2005, the Authority entered into a HOPE VI Permanent Loan Agreement with FFA. FFA developed and constructed a 65-unit, low-income tax credit apartment complex on the real property located at 6886 and 6982 Foothill Boulevard, 2811 and 2812 69<sup>th</sup> Avenue, and 7011 and 7015 MacArthur Boulevard in the City of Oakland. The Authority agreed to loan \$2,400,000 to FFA to assist in repayment of construction financing for the development, and to assist in the operation of the development. FFA's obligation to repay the loan is covered by a promissory note. The note bears interest based on the applicable Federal Rate as related to long-term loans, with annual compounding and calculated in accordance with Internal Revenue Service Code Section 1274d as of the date of closing. This loan has a term that expires on the date 55 years from when the Deed of Trust is recorded against the property. Repayments commenced on April 1, 2006, and on April 1 of each year thereafter for the term of the loan,

**HOUSING AUTHORITY OF THE  
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**NOTE 5 – NONCURRENT NOTES AND INTEREST RECEIVABLE (Continued)**

**(c) HOPE VI Notes Receivable (Continued)**

from 90% of available residual receipts as described in the loan agreement. The principal and interest outstanding on this loan was \$2,400,000 and \$2,031,114, respectively, as of June 30, 2024.

**Coliseum Gardens Project** (also known as Lions Creek Crossings – Phase I through V) – The Authority is the owner of land at the site of the former Coliseum Gardens Housing Development located between 66<sup>th</sup> Avenue and 70<sup>th</sup> Avenue on Lion Way, Leona Creek Drive, Hawley Street, and Snell Street in the City of Oakland. The Authority provided loans to facilitate the revitalization of the Coliseum Gardens Public Housing Development. The redevelopment of the site was completed in five phases, and the affordable housing developments on the former Coliseum Gardens site are now referred to as Lion Creek Crossings – Phases I through V.

On November 1, 2004, the Authority entered into a HOPE VI Construction/Permanent Loan Agreement with Oakland Coliseum Housing Partners, L.P. (OCHP) whereby the Authority agreed to loan \$5,500,000 to OCHP to finance the pre-development and construction of Lion Creek Crossings – Phase I. The obligation to repay the loan was covered by a promissory note. The outstanding balance on the Pre-Development Loan dated July 23, 2003 was considered paid off by this loan as of the execution date.

On June 1, 2024, the Authority entered into an Amended and Restated Development Loan Agreement and Amended and Restated Promissory Note for Lion Creek Crossings – Phase I. Lion Creek Crossings Phase I Housing Partners, L.P., assumed the remaining balance of \$5,367,151 on the loan to OCHP. The note bears 4.45% interest compounding annually, and it has a term of 57 years from the date of the note. Commencing on May 15, 2026, and on May 15 of each year thereafter for the term of the loan, payments to the extent of 14% of cash flows shall be made as described in the loan agreement. There may be an additional payment when the rehabilitation project converts from construction financing to permanent financing. The amount outstanding on this loan was \$5,367,151 as of June 30, 2024.

On November 1, 2005, the Authority entered into a HOPE VI Construction/Permanent Loan Agreement with Lion Way Housing Partners, L.P. (LWHP) whereby the Authority agreed to loan \$7,430,139 to LWHP to finance the pre-development and construction of Lion Creek Crossings – Phase II. The obligation to repay the loan was covered by a promissory note.

On June 1, 2024, the Authority entered into an Amended and Restated Development Loan Agreement and Amended and Restated Promissory Note for the Lion Creek Crossings – Phase II HOPE VI Loan. Lion Creek Crossings Phase II Housing Partners, L.P., assumed the remaining balance of \$7,430,139 on the HOPE VI loan to LWHP. The note bears 4.45% interest compounding annually, and it has a term of 57 years from the date of the note. Commencing on May 15 of the year following completion of construction of the improvements, and on May 15 of each year thereafter for the term of the loan, payments to the extent of 16% of cash flows shall be made as described in the loan agreement. There may be an additional payment when the rehabilitation project converts from construction financing to permanent financing. The amount outstanding on this loan was \$7,414,940 as of June 30, 2024.

On November 1, 2006, the Authority entered into a Construction Loan Agreement with CHP whereby the Authority agreed to loan \$3,350,000 to CHP to finance the pre-development and construction of Phase III of the Coliseum Gardens Project. The obligation to repay the loan is covered by a promissory note. The note bears no interest and has a term of 55 years from the date of completion of the Project, determined by the Certificate of Occupancy for all units in the Project by the City of Oakland. Repayments commenced on May 15 of the year following completion of construction of the improvements, and on May 15 of each

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**NOTE 5 – NONCURRENT NOTES AND INTEREST RECEIVABLE (Continued)**

**(c) HOPE VI Notes Receivable (Continued)**

year thereafter, for the term of the loan, payable to the extent of 20% of cash flows as described in the loan agreement. The amount outstanding on this loan was \$3,206,901 as of June 30, 2024.

On November 1, 2010, the Authority entered into a Local Funds Construction/Permanent Loan Agreement with Village-Side Housing Partners, L.P. (VSHP) whereby the Authority agreed to loan an amount not to exceed \$6,641,066 for construction/permanent financing towards the development of the project. On April 15, 2012, the Authority agreed to increase this loan to \$7,222,630 of which the additional amount of \$581,564 will be expended for additional eligible costs and funded by Moving To Work funds. On November 1, 2010, the Authority also entered into a HOPE VI Construction/Permanent Loan Agreement with VSHP, whereby the Authority agreed to loan an amount not to exceed \$2,051,641, which represented the remaining Coliseum Gardens HOPE VI grant funds as construction/permanent financing towards the development of the LCC Phase IV project. The obligation to repay this loan is deferred, bears no interest, has a 55-year term from the date of completion of the Phase IV project and is payable from surplus cash as defined in the loan agreement. The amount outstanding on these loans was \$8,503,035 as of June 30, 2024.

On November 1, 2011, the Authority entered into a Predevelopment Loan Agreement with Lion Creek Senior Housing Partners, L.P. (LCSHP), a related entity presently under development, whereby the Authority agreed to loan an amount not to exceed \$1,848,500 to LCSHP to finance pre-development budgeted costs associated with Phase V of the Lions Creek Crossings Project. One-half of the loan represents LCSHP's share of the pre-development budget and bears interest at 4% simple interest on the outstanding balance and the remaining half represents the Authority's share of the pre-development budget and bears no interest except upon default. The obligation to repay the loan is covered by a promissory note.

During the year ended June 30, 2013, LCSHP converted the \$1,848,500 loan to a permanent construction loan along with additional construction loan in the amount of \$12,459,495. The loan bears no interest, commencing on May 15 of the year following completion of construction of the improvements and on May 15 of each year thereafter, for the term of the loan, be repaid from Residual Receipts as defined in the loan agreement. The Authority shall receive an annual priority payment of the lesser of (1) an amount equal to 0.42% of the original principal amount of the loan or (2) 25% of the residual receipts. The outstanding principal amount as of June 30, 2024 was \$6,938,273.

**(d) Other Housing Programs Notes Receivable**

Terms and descriptions of the Other Housing Programs notes receivable are as follows:

**Tassafaronga Phase I** - On October 1, 2008, the Authority entered into a Deferred Promissory Note with Tassafaronga Partners, L.P. (TP) whereby the Authority agreed to loan an amount not to exceed \$2,000,000 to finance the development of the infrastructure improvements associated with the construction of 137 units of affordable housing and related improvements to the Construction/Permanent Loan Agreement. The obligation to repay this loan is deferred, interest-free, and matures October 1, 2063. The amount outstanding on this loan was \$2,000,000 as of June 30, 2024. Also, on October 1, 2008, the Authority entered into a second Loan Agreement with TP whereby the Authority agreed to loan \$14,164,614 to finance the project. The obligation to repay the loan bears 0.6% interest and matures April 13, 2065. The amount of principal and interest outstanding on this loan was \$12,313,793 and \$397,797, respectively, as of June 30, 2024.

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**NOTE 5 – NONCURRENT NOTES AND INTEREST RECEIVABLE (Continued)**

**(d) Other Housing Programs Notes Receivable (Continued)**

**Tassafaronga Phase II** - On August 1, 2009, the Authority entered into an Amended and Restated Promissory Note with TP II whereby the Authority agreed to loan an amount not to exceed \$500,000 with interest at 3% and \$1,843,368, which bears no interest, to finance the development of the TA Phase II project. The loans mature on May 20, 2065. Repayments are based on the residual receipts and shall be credited first against accrued interest, then against outstanding principal attributable to the \$500,000 component and then against the remaining outstanding principal. The principal and interest amount outstanding on the interest-bearing loan was \$500,000 and \$219,057, respectively, as of June 30, 2024. The principal outstanding for the non-interest-bearing loan was \$1,319,688 as of June 30, 2024.

**Chestnut Linden Court Project** - On February 1, 2002, the Authority entered into a Loan Agreement with CLA whereby the Authority agreed to loan \$1,695,000 to CLA to finance the development of the Chestnut Linden Court Project. The obligation to repay the loan is covered by two promissory notes for \$814,549 and \$880,451 dated February 1, 2002. Both notes bear no interest and have a term of 55 years after the date of the issuance of a Certificate of Occupancy for all units in the Project by the City of Oakland. Starting on July 1, 2004, and on July 1 of each year thereafter for the term of the loan, repayment shall be the available residual receipts as described in the loan agreement. Both notes are secured by Non-Federal Funds Loan Leasehold Deeds of Trust, Assignment of Rents and Security Agreements recorded on February 13, 2002, wherein CLA is the trustee and the Authority is the beneficiary covering the property. The amount outstanding on this loan was \$1,215,079 as of June 30, 2024.

On July 1, 2002, the Authority entered into a Development Loan Agreement (DLA) with EM Johnson Interest, Inc. (EMJI), whereby the Authority agreed to loan \$1,900,000 to EMJI to finance the development of the homeownership phase of the Chestnut Linden Court Project. The obligation to repay the loan is evidenced by a note. The loan bears no interest and was repaid as follows:

1. \$1,300,000 upon sale of the homes. Pursuant to the DLA and as result of the sale of the homes in August 2003, EMJI paid \$1,300,000 directly to CLA. Any payment made to CLA from proceeds of the sale of the homes under the letter of credit or any other source, shall be treated as repayment of this loan as though repaid by the EMJI to the Authority.
2. Upon sale of a home to an eligible purchaser, in compliance with Section 4.2 of the Development Loan, execution of the Homebuyer Promissory Note, and execution and recordation of the Homebuyer Deed of Trust and Resale Restriction and Option to Purchase Agreement, the Authority shall credit repayment of the Development Loan for \$40,000 and execute and arrange for the recordation of partial conveyance of the Deed of Trust and the Authority's Affordability Covenants with respect to each unit conveyed to an eligible purchaser.

To assist eligible purchasers in acquiring the homes, the Authority shall convert the total principal amounts of the loan to Authority Second Mortgage Loans. Each Authority Second Mortgage Loan made to an eligible purchaser is in the amount of \$40,000. The total amount of all Authority Second Mortgages will be equal to \$600,000. Each Authority Second Mortgage loan has a 50-year term. The Authority Second Mortgages Loans do not bear interest, except in the event of default by the homebuyer, and will be assumable by subsequent eligible homebuyers. Authority Second Mortgage Loans will be forgiven if a homebuyer stays in the home for the entire 50 years. Fifteen homes were sold, and a credit of \$600,000 was applied to the EMJI note. As a result of these transactions, EMJI's Development Loan is considered repaid.

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CITY OF OAKLAND, CALIFORNIA**  
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For the Year Ended June 30, 2024

**NOTE 5 – NONCURRENT NOTES AND INTEREST RECEIVABLE (Continued)**

**(d) Other Housing Programs Notes Receivable (Continued)**

The amount outstanding on the Authority Second Mortgage Loans with eligible homebuyers was \$600,000 as of June 30, 2024.

**Mandela Gateway** - On February 1, 2003, the Authority entered into a loan agreement with Mandela Gateway Associates (MGA) whereby the Authority agreed to loan \$550,000 to finance the development of the residential portion of the Mandela Gateway Development. The obligation to repay the loan was covered by a 55-year promissory note with no interest. The loan was fully paid as of June 30, 2024.

On November 20, 2003, the Authority entered into a Predevelopment Loan Agreement with Mandela Gateway Townhomes, LLC (MGT) whereby the Authority agreed to loan \$515,000 to MGT to finance the predevelopment activities associated with the construction of 14 single family townhomes. This loan was superseded by a Loan Agreement executed with MGT dated December 11, 2006, and the balance outstanding on the Predevelopment Loan was transferred to this loan. The obligation to repay this loan is covered by a non-interest-bearing promissory note dated December 11, 2006. Repayment of the loan is contingent upon the sale of the townhomes to eligible homebuyers, and the execution of the Homebuyer Promissory Notes between the homebuyer and the Authority.

During the year, there were no sales of townhomes to eligible homebuyers, and there were no Homebuyer Promissory Notes executed. The amount outstanding on this loan was \$515,000 as of June 30, 2024.

**Coliseum Gardens Project** (also known as Lions Creek Crossings II) - On November 1, 2005, the Authority entered into a Construction/Permanent Loan Agreement with LWHP whereby the Authority agreed to loan \$2,472,471 to LWHP to finance the construction of Phase II of the Coliseum Gardens Project. The obligation to repay this loan is covered by a non-interest-bearing promissory note which expires 55 years from the issuance of a Certificate of Occupancy for all units in the development. The loan is payable to the extent of 45% of cash flows and due May 15<sup>th</sup> of each year. The amount outstanding on this loan was \$1,123,199 as of June 30, 2024.

**Jefferson Oaks, L.P.** - On October 1, 2010, the Authority entered into an Acquisition and Development Loan Agreement with Jefferson Oaks, L.P. (Jefferson) whereby the Authority agreed to loan an amount not to exceed \$2,060,000 to finance the acquisition of the Jefferson Existing Improvements and certain costs associated with the development of the Jefferson Oaks Apartment project. The obligation bears no interest except upon default by Jefferson, for which interest will be accrued at the lesser of 10% compounded annually or the maximum rate permitted by law. The obligation has a 55-year term from the date of recordation of the Deed of Trust against Jefferson's Leasehold Estate. The amount outstanding on this loan was \$2,060,000 as of June 30, 2024.

**Keller Housing Associates, LP.** - On May 1, 2011, the Authority entered into an Original Loan Agreement with Keller Housing Initiative, Inc. (KHI) whereby the Authority agreed to make a loan to KHI in the amount of \$8,200,000 (Development Loan) to assist in predevelopment and construction costs associated with the rehabilitation of the Keller Plaza Project Development, as defined in the agreement. KHI assigned the Original Loan Agreement and the Development Loan, and all of KHI's right, title and obligations under the Original Loan Agreement to Keller Housing Associates, LP (KHA), a California limited partnership. The loan bears no interest except upon default by KHA, for which interest will be accrued at the lesser of 10% compounded annually or the maximum rate permitted by law. The obligation has a 55-year term from the date of recordation of the Deed of Trust against KHA's Leasehold Estate. The amount outstanding on this loan was \$6,393,636 as of June 30, 2024.

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**NOTE 5 – NONCURRENT NOTES AND INTEREST RECEIVABLE (Continued)**

**(d) Other Housing Programs Notes Receivable (Continued)**

**Satellite Housing, Inc. (Lakeside)** - On December 15, 2009, the Authority entered into an Acquisition Conditions Agreement with Satellite Housing, Inc. (SHI) whereby the Authority agreed to provide two forms of loans to carry out certain predevelopment work and on August 23, 2011, the Authority entered into a First Amendment with SHI to increase the amount of the pre-development loans and to permit the loan proceeds to be used for predevelopment costs relating to additional real property that will be added to the Lakeside Senior Apartments project. The first loan is interest free and the Authority agreed to loan an amount not to exceed \$720,413. The second loan bears interest rate of 4% and the Authority agreed to loan an amount not to exceed \$720,413. In April 2013, the Authority amended, restated and consolidated the principal notes into one non-interest-bearing note and increased the principal balance of the original notes to \$3,443,000 contained in a promissory note. The note is due 55 years from the date of completion, which shall be determined by the date of issuance of a certificate of occupancy for all units in the development. At June 30, 2024, the principal amount outstanding was \$3,127,953.

**Oak Groves Senior Housing, L.P.** – On December 1, 2019, the Authority entered into four promissory notes with Oak Groves Senior Housing LP to finance the rehabilitation and construction of property located at 620 17<sup>th</sup> Street and 570 16<sup>th</sup> Street, in the City of Oakland. The first promissory note is a Seller-Carryback loan in the amount of \$34,400,000 and interest of 1.94%. There were also two interest free Construction/Permanent Loan promissory notes in the amount of \$13,000,000 and \$2,000,000 and an interest free Ground Lease Loan of \$599,901.

Commencing on May 15 of the year following completion of construction of the improvements, and on May 15 of each year thereafter for the term of the loan, is to be repaid from Residual Receipts as defined in the loan agreements. All four obligations are due 55 years from the date of completion, which shall be determined by the date of issuance of a certificate of occupancy for all units in the development. The principal and interest amount outstanding on the interest-bearing promissory note was \$34,400,000 and \$3,169,106, respectively, as of June 30, 2024. The principal outstanding for the non-interest-bearing loans were \$13,000,000, \$2,000,000 and \$599,902, respectively, as of June 30, 2024.

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CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 6 – CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2024, was as follows:

|  | <u>July 1, 2023</u>   | <u>Additions</u>    | <u>Reductions/<br/>Transfers</u> | <u>June, 2024</u>     |
|--|-----------------------|---------------------|----------------------------------|-----------------------|
| <i>Capital assets, not being depreciated:</i>                |                       |                     |                                  |                       |
| Land   | \$ 79,985,141         | \$ -                | \$ -                             | \$ 79,985,141         |
| Construction in progress                                     | 14,370,927            | 9,690,283           | (3,559,677)                      | 20,501,533            |
| Total capital assets, not being depreciated                  | 94,356,068            | 9,690,283           | (3,559,677)                      | 100,486,674           |
| <i>Capital assets, being depreciated:</i>                    |                       |                     |                                  |                       |
| Building and improvements                                    | 337,603,687           | 8,572,428           | 2,722,202                        | 348,898,317           |
| Equipment and vehicles                                       | 17,106,328            | 1,500,362           | (411,461)                        | 18,195,229            |
| Total capital assets, being depreciated                      | 354,710,015           | 10,072,790          | 2,310,741                        | 367,093,546           |
| <i>Right-to-use assets, being amortized:</i>                 |                       |                     |                                  |                       |
| SBITAs   | 1,311,351             | 599,319             | -                                | 1,910,670             |
| <i>Less accumulated depreciation</i>                         |                       |                     |                                  |                       |
| Building and improvements                                    | (279,655,132)         | (8,387,492)         | -                                | (288,042,624)         |
| Equipment and vehicles                                       | (11,987,595)          | (1,382,305)         | 286,137                          | (13,083,763)          |
| Total accumulated depreciation                               | (291,642,727)         | (9,769,797)         | 286,137                          | (301,126,387)         |
| <i>Less accumulated amortization</i>                         |                       |                     |                                  |                       |
| SBITAs   | (658,343)             | (849,046)           | -                                | (1,507,389)           |
| Total capital assets, being depreciated or<br>amortized, net | 63,720,296            | 302,993             | (962,799)                        | 66,370,440            |
| Total capital assets, net                                    | <u>\$ 158,076,364</u> | <u>\$ 9,993,276</u> | <u>\$ (962,799)</u>              | <u>\$ 166,857,114</u> |

The primary government reported depreciation and amortization expenses in the amount of \$10,618,843 for the year ended June 30, 2024.

**NOTE 7 – LONG-TERM OBLIGATIONS**

Changes to the Authority's long-term obligations for the year ended June 30, 2024, was as follows:

|                      | <u>July 1, 2023</u> | <u>Increase</u>     | <u>Decrease</u>       | <u>June 30, 2024</u> | <u>Due Within<br/>One Year</u> |
|----------------------|---------------------|---------------------|-----------------------|----------------------|--------------------------------|
| SBITAs               | \$ 443,591          | \$ 599,318          | \$ (1,042,909)        | \$ -                 | \$ -                           |
| Compensated absences | 2,520,677           | 1,969,203           | (2,520,676)           | 1,969,204            | 275,688                        |
| Total                | <u>\$ 2,964,268</u> | <u>\$ 2,568,521</u> | <u>\$ (3,563,585)</u> | <u>\$ 1,969,204</u>  | <u>\$ 275,688</u>              |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 8 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS**

The Authority has several software-based information technology arrangements (SBITA) encompassing a range of services. These include enterprise software licensing and subscription agreements. These arrangements expire in 2024, and the Authority is currently negotiating renewal options. The expected payments are discounted using the State of California's implicit borrowing rate. Variable payments are excluded from the valuations unless they are fixed in substance. The Authority prepaid all lease payments for current year SBITA additions, and therefore has no future subscription commitments as of June 30, 2024.

The amount of SBITA assets by major class of underlying assets at June 30, 2024, is as follows:

| <u>Asset Class</u> | <u>SBITA Asset</u> | <u>Accumulated<br/>Amortization</u> |
|--------------------|--------------------|-------------------------------------|
| Software           | \$ 1,910,670       | \$ 1,507,389                        |

**NOTE 9 – RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There have been no significant reductions in insurance coverage from the previous year. The Authority has not settled claims in excess of the Authority's insurance coverage in any of the past three fiscal years.

The Authority's deductibles and maximum coverage follows:

| <u>Coverage</u>      | <u>Deductible</u> | <u>HARRG/<br/>ERMA</u> | <u>Excess Coverage</u> |
|----------------------|-------------------|------------------------|------------------------|
| General liability    | \$ 50,000         | \$ 50,000              | \$ 5,000,000           |
| Property damage      | 100,000           | 100,000                | 100,000,000            |
| Automobile liability | 2,000             | 25,000                 | 1,000,000              |
| Employment practices | 50,000            | -                      | 1,000,000              |
| Employer's liability | -                 | 350,000                | 5,000,000              |
| Lead-based paint     | 25,000            | -                      | 500,000                |

Changes in the Authority's claims liability during the years ended June 30, 2024 and 2023 were as follows:

|      | <u>July 1</u> | <u>Estimates</u> | <u>Payments</u> | <u>June 30</u> |
|------|---------------|------------------|-----------------|----------------|
| 2024 | \$ 790,447    | \$ 752,747       | \$ 653,194      | \$ 890,000     |
| 2023 | 845,953       | 433,380          | 488,886         | 790,447        |

The claims liability is reported as a component of other accrued liabilities in the statement of net position.



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 9 – RISK MANAGEMENT (Continued)**

**(a)     *General Liability***

The Authority purchased coverage for general liabilities with the Housing Authority Risk Retention Group, Inc. (HARRG) for losses incurred above the deductible limit of \$50,000 per occurrence up to \$5 million per occurrence. In addition to the general liability coverage, a separate law enforcement coverage is included, offering an excess liability limit of \$2 million per occurrence. Claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, newly discovered information and damage awards.

Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claims settlement trends (including frequency and amount of pay-outs), economic and social factors, newly discovered information and changes in the law.

**(b)     *Workers' Compensation and Employer's Liability***

The Bay Area Housing Authority Risk Management Agency (BAHARMA) was formed under a joint powers agreement between the Authority and the Housing Authority of the City and County of San Francisco (SFHA). BAHARMA does not provide pooling or sharing of risk between its 2 members. Its purpose is to provide administrative and risk management services to the two housing authorities' worker's compensation self-insurance funds. Effective July 1, 2010, BAHARMA maintained excess insurance coverage above the self-insured retention level of \$350,000 up to \$5 million per occurrence.

Claims are paid from contributions received from the Authority and SFHA. BAHARMA is considered to be a claims-servicing entity and each member's net position is reported as due to members in the BAHARMA's statement of net position. At June 30, 2024, the Authority is due \$18.8 million from BAHARMA, and this amount is as a component of the other noncurrent assets in the Authority's statement of net position. The Authority does not expect to receive amounts due from BAHARMA in the near future.

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CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 9 – RISK MANAGEMENT (Continued)**

**(b) Workers' Compensation and Employer's Liability (Continued)**

Condensed financial information for BAHARMA is presented below as of and for the year ended September 30, 2023 (most recently available):

| Statement of Net Position<br>September 30, 2023 |                   | Statement of Revenues, Expenses and Changes in Net Position<br>For the Year Ended September 30, 2023 |                  |
|---|-------------------|--|------------------|
| Assets:   |                   | Operating revenues:  |                  |
| Cash and equivalents                            | \$ 41,143,565     | Claims servicing revenues  | \$ 1,071,278     |
| Prepaid and other                               | 1,287,471         |  |                  |
| Investments                                     | <u>902,031</u>    | Total operating revenues   | <u>1,071,278</u> |
| Total assets                                    | <u>43,333,067</u> | Operating expenses:  |                  |
| Liabilities:                                    |                   | Claims administration  | 191,846          |
| Claims liability                                | 13,705,571        | General and administration   | <u>879,432</u>   |
| Due to members                                  | 29,368,431        | Total operating expenses   | <u>1,071,278</u> |
| Premium deposit and other                       | <u>259,065</u>    |  |                  |
| Total liabilities                               | <u>43,333,067</u> | Change in net position   | -                |
| Net position                                    | <u>\$ -</u>       | Net position, beginning of year  | <u>-</u>         |
|   |                   | Net position, end of year  | <u>\$ -</u>      |

Complete financial statements of BAHARMA can be obtained from the Director of Finance of the Authority at 1619 Harrison Street, Oakland, California 94612.

**NOTE 10 – PENSION PLAN – DEFINED CONTRIBUTION**

The International City/County Management Association (ICMA) Retirement Corporation Pension Plan is a defined contribution plan for employees hired before July 1, 1980. On July 1, 1980, the Authority's employees were given the opportunity to transfer to CalPERS and certain employees hired prior to July 1, 1980 chose to continue with the ICMA plan. As of June 30, 2024, there is one employee in this plan. For the year ended June 30, 2024, the Authority contributed 10% of annual covered salary related to this employee to the plan. Contributions in the amount of \$9,797 were made during the year June 30, 2024, and the plan had an ending investment balance of \$2,163,885 at June 30, 2024

**NOTE 11 – PENSION PLANS – DEFINED BENEFIT**

**(a) General Information**

The Authority's Pension Plans are being administered by the California Public Employees' Retirement System (CalPERS), which is for all employees hired after July 1, 1980, and includes employees who as of July 1, 1980 elected CalPERS pension plan coverage.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 11 – PENSION PLANS – DEFINED BENEFIT (Continued)**

**(a) General Information (Continued)**

**Description of Plans** – All qualified Authority employees, as defined above, are eligible to participate in the Authority’s separate Safety (police) Plan, a cost sharing multiple-employer defined benefit pension plan, and Miscellaneous (all others) Plan, an agent multiple-employer defined benefit pension plan, administered by CalPERS. CalPERS acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and resolution by the Authority’s Board. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

|   | <b>Miscellaneous</b>                    |  | <b>Safety</b>                           |  |
|---|---|--|---|--|
|   | <b>Prior to<br/>January 1,<br/>2013</b> | <b>On or after<br/>January 1,<br/>2013</b> | <b>Prior to<br/>January 1,<br/>2013</b> | <b>On or after<br/>January 1,<br/>2013</b> |
| Benefit formula                                   | 2% @ 55                                 | 2% @ 62                                    | 3% @ 55                                 | 2.7% @ 57                                  |
| Benefit vesting schedule                          | 5 yrs of service                        | 5 yrs of service                           | 5 yrs of service                        | 5 yrs of service                           |
| Benefit payments                                  | monthly for life                        | monthly for life                           | monthly for life                        | monthly for life                           |
| Retirement age                                    | 50 - 55                                 | 52 - 67                                    | 50 - 55                                 | 50 - 57                                    |
| Monthly benefits, as a % of eligible compensation | 1.4% - 2.4%                             | 1% - 2.5%                                  | 2.4% - 3%                               | 2% - 2.7%                                  |
| Required employee contribution rates              | 7.00%                                   | 7.50%                                      | 9.00%                                   | 13.00%                                     |
| Required employer contribution rates              | 9.49%                                   | 9.49%                                      | 21.84%                                  | 12.78%                                     |

**Employees Covered** – At June 30, 2024, the most recent information available (as of June 30, 2023), the following employees were covered by the benefit terms for each Plan:

|  | <b>Miscellaneous</b> | <b>Safety</b> |
|--|----------------------|---------------|
| Inactive employees or beneficiaries currently receiving benefits | 359                  | 13            |
| Inactive employees entitled to but not yet receiving benefits    | 273                  | 23            |
| Active employees   | 282                  | 8             |
| Total  | 914                  | 44            |

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

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CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 11 – PENSION PLANS – DEFINED BENEFIT (Continued)**

**(a) General Information (Continued)**

Effective July 1, 1994, the Authority elected to pay 100% of the employees' contributions to CalPERS or 6.92% of their annual covered salary for Miscellaneous Plan members hired prior to July 1, 2012, and members hired after July 1, 2012, agreed to pay 5% of the employees' 7.5% contribution. In addition, the Authority contributes on behalf of Safety Plan members the full contribution amount of 9% effective for the pay period beginning October 26, 2009, for Safety Plan members hired prior to July 1, 2012. Members hired after July 1, 2012, agreed to pay 4% of the employees' 11.5% contribution.

For the year ended June 30, 2024, the Authority contributed a total of \$20,499,371 and \$2,460,012 for the Miscellaneous and Safety Plans, respectively, that were reported as deferred outflows of resources in the statement of net position.

**(b) Net Pension Liability**

At June 30, 2024, the Authority's net pension liability is comprised of the following:

|                    |                             |
|--------------------|-----------------------------|
| Miscellaneous Plan | \$ 11,817,098               |
| Safety Plan        | <u>1,010,889</u>            |
| Total              | <u><u>\$ 12,827,987</u></u> |

The Authority's net pension liability for the Miscellaneous Plan is measured as the total pension liability, less the pension plan's fiduciary net position and the Safety Plan is reported as the Authority's proportionate share of the CalPERS Public Safety Risk Pool's net pension liability. The Authority's proportionate share of the net pension liability of the Safety Risk Pool was first determined at the rate plan level. The proportionate share of the Safety Risk Pool is then determined using the methodology as described below:

- 1) Total Pension Liability (TPL) – Allocated based on the employer's share of the Actuarial Liability
- 2) Fiduciary Net Position (FNP) – Allocated based on the employer's share of the Fair Value of Assets plus Additional Payments
- 3) Net Pension Liability (NPL) – After completing the above calculations, subtract the FNP from TPL to calculate the employer's NPL.

The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the Safety pension plan relative to the projected contributions of all participating employers, actuarially determined. The Authority's net pension liability for each plan is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 11 – PENSION PLANS – DEFINED BENEFIT (Continued)**

**(b) Net Pension Liability (Continued)**

**Actuarial Assumptions** - The total pension liability for the Authority's Miscellaneous Plan was determined using the following actuarial assumptions:

|                                  |  |
|----------------------------------|--|
| Valuation date                   | June 30, 2022  |
| Measurement date                 | June 30, 2023  |
| Measurement period               | July 1, 2022 to June 30, 2023  |
| Actuarial cost method            | Entry-age normal cost method   |
| Actuarial assumptions:           |  |
| Discount rate                    | 6.90%  |
| Inflation                        | 2.30%  |
| Projected salary increases       | Varies by entry age and service  |
| Post retirement benefit increase | The lesser of contract COLA or 2.3% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter. |
| Mortality                        | Derived using CalPERS membership data for all funds*   |

\* The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website under Forms and Publications.

All other actuarial assumptions used in the June 30, 2021, valuation are those recommended in the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021.

**Discount Rate** - The discount rate used to measure the total pension liability was 6.90% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans ran out of assets. Therefore, the current 6.90 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 6.90 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called the "GASB Crossover Testing Report" that can be obtained from the CalPERS website under the GASB Statement No. 68 section.

The long-term expected rate of return on pension plan investments was determined net of pension plan investment expenses but without reduction for pension plan administrative expenses. Administrative expenses are assumed to be 15 basis points. The discount rate of 6.90 percent used for the June 30, 2022, measurement date is without a reduction for pension plan administrative expenses.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 11 – PENSION PLANS – DEFINED BENEFIT (Continued)**

**(b) Net Pension Liability (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

The table below reflects the long-term expected real rate of return by asset class. The target allocation for the June 30, 2023 measurement date was as follows:

| Asset Class                      | Assumed Asset<br>Allocation | Real<br>Return <sup>(a),(b)</sup> |
|----------------------------------|-----------------------------|-----------------------------------|
| Global Equity - cap-weighted     | 30.0%                       | 4.54%                             |
| Global Equity - non-cap-weighted | 12.0%                       | 3.84%                             |
| Private Equity                   | 13.00                       | 7.28%                             |
| Treasury                         | 5.0%                        | 0.27%                             |
| Mortgage-backed securities       | 5.0%                        | 0.50%                             |
| Investment grade corporates      | 10.0%                       | 1.56%                             |
| High yield                       | 5.0%                        | 2.27%                             |
| Emerging market debt             | 5.0%                        | 2.48%                             |
| Private debt                     | 5.0%                        | 3.57%                             |
| Real assets                      | 15.0%                       | 3.21%                             |
| Leverage                         | -5.0%                       | -0.59%                            |
| Total                            | 100%                        |                                   |

<sup>(a)</sup> An expected inflation of 2.30% used for this period.

<sup>(b)</sup> Figures are based on the 2021 Asset Liability Management study.

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CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 11 – PENSION PLANS – DEFINED BENEFIT (Continued)**

**(c) Changes in the Net Pension Liability**

The changes in the net pension liability for the Miscellaneous Plan over the measurement period July 1, 2022, to June 30, 2023, is as follows:

|   | Increase (Decrease)        |                                |                          |
|---|----------------------------|--------------------------------|--------------------------|
|   | Total Pension<br>Liability | Plan Fiduciary<br>Net Position | Net Pension<br>Liability |
| Balance at June 30, 2022                                      | \$ 168,551,988             | \$ 159,496,983                 | \$ 9,055,005             |
| Changes recognized for the measurement period:                |                            |                                |                          |
| Service cost  | 4,467,652                  | -                              | 4,467,652                |
| Interest on the total pension liability                       | 11,599,012                 | -                              | 11,599,012               |
| Changes of assumptions  | 216,134                    | -                              | 216,134                  |
| Differences between expected and actual experience            | 1,179,679                  | -                              | 1,179,679                |
| Contributions from the employer                               | -                          | 3,036,433                      | (3,036,433)              |
| Contributions from the employees                              | -                          | 2,000,863                      | (2,000,863)              |
| Investment income   | -                          | 9,780,375                      | (9,780,375)              |
| Administrative expenses                                       | -                          | (117,287)                      | 117,287                  |
| Benefit payments, including refunds of employee contributions | (8,159,998)                | (8,159,998)                    | -                        |
| Net changes during the measurement period                     | 9,302,479                  | 6,540,386                      | 2,762,093                |
| Balance at June 30, 2023 (measurement date)                   | \$ 177,854,467             | \$ 166,037,369                 | \$ 11,817,098            |

The Authority's proportionate share of the net pension liability for the Safety Plan was 0.01352% as of June 30, 2023, an increase of 0.0035% from June 30, 2022.

**Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate** - The following presents the net pension liability (asset) of the Miscellaneous Plan and the Authority's proportionate share of the net pension liability (asset) of the CalPERS Safety Risk Plan as of the measurement date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

|                               | Discount Rate |                 |                 |
|-------------------------------|---------------|-----------------|-----------------|
|                               | -1% (5.90%)   | Current (6.90%) | +1% (7.90%)     |
| Miscellaneous Plan            | \$ 35,784,383 | \$ 11,817,098   | \$ (7,938,101)  |
| Safety Plan                   | 4,030,086     | 1,010,889       | (2,467,780)     |
| Net Pension Liability (Asset) | \$ 39,814,469 | \$ 12,827,987   | \$ (10,405,881) |

**Pension Plans' Fiduciary Net Position** – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

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CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 11 – PENSION PLANS – DEFINED BENEFIT (Continued)**

**(d) Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

For the year ended June 30, 2024, the Authority recognized \$7,794,527 in total pension expense including amortization of deferred outflows/inflows of resources related to pensions. At June 30, 2024, the Authority's reported deferred outflows of resources and deferred inflows of resources related to the pensions are from the following sources:

|  | Deferred Outflows of Resources |                     |                      | Deferred Inflows of Resources |                       |                       |
|--|--------------------------------|---------------------|----------------------|-------------------------------|-----------------------|-----------------------|
|  | Miscellaneous                  | Safety              | Total                | Miscellaneous                 | Safety                | Total                 |
| Pension contributions subsequent to measurement date   | \$ 20,499,371                  | \$ 2,460,012        | \$ 22,959,383        | \$ -                          | \$ -                  | \$ -                  |
| Changes in assumptions   | 2,390,969                      | 58,997              | 2,449,966            | -                             | -                     | -                     |
| Differences between expected and actual experience   | 1,192,072                      | 74,218              | 1,266,290            | -                             | (6,354)               | (6,354)               |
| Net differences between projected and actual earnings on pension plan investments                        | 7,686,202                      | 138,340             | 7,824,542            | -                             | -                     | -                     |
| Adjustment due to differences in proportion  | -                              | 985,944             | 985,944              | -                             | (709,833)             | (709,833)             |
| Differences between the employer's contributions and the employer's proportionate share of contributions | -                              | -                   | -                    | -                             | (387,878)             | (387,878)             |
|  | <u>\$ 31,768,614</u>           | <u>\$ 3,717,511</u> | <u>\$ 35,486,125</u> | <u>\$ -</u>                   | <u>\$ (1,104,065)</u> | <u>\$ (1,104,065)</u> |

The pension contributions made after the measurement date of the net pension liability but before the end of the Authority's reporting period, totaling \$22,959,383, will be recognized as a reduction of the net pension liability in Fiscal Year 2025 and the other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in future pension expense as follows:

| Year Ended June 30, | Deferred Outflows/(Inflows)<br>of Resources |                   |
|---------------------|---|-------------------|
|                     | Miscellaneous                               | Safety            |
| 2025                | \$ 3,629,994                                | \$ (408,957)      |
| 2026                | 2,059,788                                   | 402,326           |
| 2027                | 5,357,023                                   | 156,204           |
| 2028                | 222,438                                     | 3,861             |
|                     | <u>\$ 11,269,243</u>                        | <u>\$ 153,434</u> |

**(e) Payable to the Pension Plan**

At June 30, 2024, the Authority did not have a payable for outstanding contribution amounts to the pension plans required for the year.



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description** - The Authority provides certain medical benefits for its retired employees, their dependents, and surviving spouses through the CalPERS medical benefit program. To be eligible, employees must have retired under the CalPERS retirement plan. Employees who retire from the Authority at age 50 or older with 5 or more years of service are eligible for lifetime postemployment healthcare benefits. Benefits are provided to retirees, spouses and surviving spouses. For employees hired prior to January 1, 2017, the Authority contributes up to 100% of the lowest cost family plan available (referred to herein as the “cap”). After a retiree reaches Medicare age, the cap is based on post-Medicare premium rates. Employees hired on or after January 1, 2017, must have at least 10 years of service at retirement in order to receive any employer paid benefits and subject to the retiree medical vesting schedule and cap pursuant to government code Section 22893. Starting at 10 years of service, the employer pays 50% of capped premium costs. The percentage of paid capped premium costs increases 5% for each year of service to a maximum of 100% paid at 20 or more completed years of service prior to retirement.

In 2011, the Authority entered into an agreement with CalPERS whereby the Authority participates in the California Employers’ Retiree Benefit Trust Fund Program (CERBT), an agent-multiple employer postemployment health plan, to prefund other postemployment benefits through CalPERS. The financial statements for CERBT may be obtained by writing to the California Public Employees’ Retirement System, Constituent Relations Office, CERBT (OPEB), P.O. Box 242709, Sacramento, California 94229-2709 or by calling 888-225-7377.

**Funding Policy** – In addition to amounts deposited with CERBT to prefund other postemployment benefits, the Authority is currently funding the OPEB plan on a pay-as-you-go basis. The Authority funded the pay-as-you go portion in the amount of \$2,414,559, which includes \$275,686 of implicit subsidy, during the year ended June 30, 2024.

As of June 30, 2024, the fair value of the Authority’s investments in the CERBT was approximately \$123,510,419. This balance is net of all plan activity during fiscal year 2024, including annual investment earnings of \$12,267,013.

**Employees Covered**

The table below summarizes the participant data for active and retired employees and covered dependents of retirees based on the most recent actuarial valuation, which is as of June 30, 2022.

|  |            |
|--|------------|
| Active employees eligible for future benefits  | 280        |
| Retired employees currently receiving benefits | 222        |
| Total  | <u>502</u> |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**Net OPEB Liability (Asset)**

The Authority's net OPEB liability/(asset) was measured as of June 30, 2023, and the total OPEB liability/(asset) was determined by an actuarial valuation dated June 30, 2022, using the following actuarial methods and assumptions:

| <u>Description</u>          | <u>Method and Assumptions</u>   |
|-----------------------------|---|
| Actuarial Cost Method       | Entry Age Actuarial Cost Method   |
| Amortization Method/Period  | Closed 20 Year Period   |
| Discount Rate               | 6.75%   |
| Inflation                   | 2.50%   |
| Projected Payroll Growth    | 2.75%   |
| Investment Rate of Return   | 6.75%   |
| Healthcare Cost Trend Rates | 4.00%   |
| Mortality                   | Police: 2021 CalPERS Mortality for Safety Employees.<br><br>Miscellaneous: 2021 CalPERS Mortality for<br>Miscellaneous and Schools Employees. |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past experiences and new estimates are made about the future. Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing cost between the Authority and plan members through June 30, 2022. Additionally, actuarial calculations reflect a long-term perspective and include methods and assumptions that are designed to reduce short-term volatility of actuarial accrued liabilities and the actuarial value of assets. The Authority has relied on the work of the Authority's actuary to determine the Authority's net OPEB liability/(asset), and considers the underlying assumptions used by the actuary to be reasonable.

**Long-Term Expected Rate of Return**

The valuation uses a discount rate of 6.75% per year, net of investment expenses and including inflation. This is an arithmetic long-term expected rate of return assumption on plan assets. This rate is based on the general inflation rate and expected real rate of return required for CalPERS reporting for use by employers who elect certain investment strategies as participants in CERBT. The target allocation and best estimates for long-term expected real rates of return for each major asset class, as of the June 30, 2023, measurement date, are summarized in the following table using CERBT Strategy 1 investment policy.

| <u>Asset Class</u>                      | <u>Target<br/>Allocation</u> | <u>Long-Term<br/>Expected Real<br/>Rate of Return</u> |
|---|------------------------------|---|
| All Equities                            | 59.0%                        | 7.55%   |
| All Fixed Income                        | 25.0%                        | 4.25%   |
| Real Estate Investment Trusts           | 8.0%                         | 7.25%   |
| All Commodities                         | 3.0%                         | 7.55%   |
| Treasury Inflation Protected Securities | 5.0%                         | 3.00%   |
| Total                                   | <u>100.0%</u>                |   |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**Changes in the Net OPEB Liability (Asset)**

The following table shows the changes in the net OPEB liability (asset) based upon the Authority's OPEB Plan actuarial valuation with a measurement date as of the June 30, 2023.

|  | Increase (Decrease)     |                                |                               |
|--|-------------------------|--------------------------------|-------------------------------|
|  | Total OPEB<br>Liability | Plan Fiduciary<br>Net Position | Net OPEB<br>Liability (Asset) |
| Balance at June 30, 2022                           | \$ 46,155,946           | \$ 104,679,294                 | \$ (58,523,348)               |
| Changes recognized for the measurement period:     |                         |                                |                               |
| Service cost                                       | 1,525,717               | -                              | 1,525,717                     |
| Interest on the total OPEB liability               | 3,086,537               | -                              | 3,086,537                     |
| Differences between expected and actual experience | (3,934,317)             | -                              | (3,934,317)                   |
| Changes in assumptions                             | 897,560                 | -                              | 897,560                       |
| Contributions from the employer                    | -                       | 2,414,559                      | (2,414,559)                   |
| Investment income                                  | -                       | 6,721,759                      | (6,721,759)                   |
| Administrative expenses                            | -                       | (30,409)                       | 30,409                        |
| Benefit payments                                   | (2,414,559)             | (2,414,559)                    | -                             |
| Net changes during the measurement period          | (839,062)               | 6,691,350                      | (7,530,412)                   |
| Balance at June 30, 2023 (measurement date)        | \$ 45,316,884           | \$ 111,370,644                 | \$ (66,053,760)               |

The required schedule of changes in the net OPEB liability (asset) and related ratios immediately following the notes to the financial statements presents the beginning and ending balances of the total OPEB liability (asset), the plan fiduciary net position available for OPEB benefits, and the net OPEB liability (asset), as well as the itemized changes in those amounts during the fiscal year. The schedule also reports a ratio of plan fiduciary net position as a percentage of the total OPEB liability (asset), the payroll amount for current employees in the plan (covered employee payroll), and a ratio of the net OPEB liability (asset) as a percentage of the covered employee payroll. Five years of information is presented and will build to 10 years of information on a prospective basis.

The required schedule of employer contributions immediately following the notes to the financial statements presents the actuarially determined contribution to the OPEB Plan, the actual contributions, the difference between the actual and actuarially determined contributions, and a ratio of actual contributions as a percentage of covered employee payroll.

**Sensitivity of the Net OPEB Liability (Asset) Due to Changes in the Discount Rate** – The following table represents the net OPEB liability (asset), calculated using the current discount rate of 6.75%, as well as what it would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

|                            | 1% Decrease<br>(5.75%) | Current<br>Discount Rate<br>(6.75%) | 1% Increase<br>(7.75%) |
|----------------------------|------------------------|-------------------------------------|------------------------|
| Net OPEB Liability (Asset) | (\$60,776,248)         | (\$66,053,760)                      | (\$70,459,566)         |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**Sensitivity of the Net OPEB Liability (Asset) Due to Changes in the Health Care Cost Trend Rate –**  
The following table represents the net OPEB liability (asset) of the Authority, calculated using the current health care cost trend rate of 4.00% as well as what it would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher than the current rate:

|                            | 1% Decrease<br>(3.00%) | Current Healthcare<br>Cost Trend Rate<br>(4.00%) | 1% Increase<br>(5.00%) |
|----------------------------|------------------------|--|------------------------|
| Net OPEB Liability (Asset) | (\$71,197,195)         | (\$66,053,760)                                   | (\$59,752,157)         |

**OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB**

For the year ended June 30, 2024, the Authority recognized OPEB expense of (\$5,269,820). At June 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| OPEB contributions subsequent to the measurement date                          | \$ 2,302,180                         | \$ -                                |
| Difference between expected and actual experience                              | 26,935                               | (7,007,435)                         |
| Changes in assumptions   | 775,412                              | (10,055,031)                        |
| Net differences between projected and actual earnings on OPEB plan investments | 6,995,306                            | -                                   |
| Total  | <u>\$ 10,099,833</u>                 | <u>\$ (17,062,466)</u>              |

\$2,302,180 reported as deferred outflows of resources related to OPEB contributions made subsequent to the measurement date of June 30, 2023, will be recognized as a reduction of the net OPEB liability (asset) during the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized OPEB expense as follows:

| Year Ending<br>June 30 | Deferred Outflows/<br>(Inflows)<br>of Resources |
|------------------------|---|
| 2025                   | \$ (2,815,472)                                  |
| 2026                   | (3,264,823)                                     |
| 2027                   | 1,393,662                                       |
| 2028                   | (3,302,660)                                     |
| 2029                   | (900,337)                                       |
| Thereafter             | (375,183)                                       |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 13 – COMMITMENTS AND CONTINGENT LIABILITIES**

**Low Income Tax Credits** – The Authority’s low-income tax credit partnerships are contingent on its ability to maintain compliance with applicable sections of Section 42 of the Internal Revenue Code. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct noncompliance within a specified time period could result in recapture of previously taken tax credits plus interest.

**Concentrations** - For the year ended June 30, 2024, approximately 94.4% of operating revenues and 13.0% of accounts receivables reflected in the financial statements are from HUD. The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related costs and the additional administrative burden to comply with the changes.

**General Partner Operating Deficit Guarantees** - In relation to the performance of the tax credit partnerships for which the Authority is the general partner, the Authority has agreed to provide certain levels of funding in the event of partnership operating deficits that exceed operating reserves (see Note 14). As of June 30, 2024, no additional liability existed relating to excess operating deficits for any of the partnerships based on the Authority’s analysis.

**Conduit Debt** – From time to time, the Authority has issued Multi-family Housing Revenue Bonds to provide funds to developers for the construction of multi-family housing projects. The bonds are payable solely from the revenues collected by the developers of the projects. The Authority is not obligated in any manner for repayment of the indebtedness. Accordingly, the liabilities are not reported in the Authority’s basic financial statements.

In addition to conduit debt issued for entities not related to the Authority, the Authority has also issued other conduit debt for related entities (see Note 14).

**NOTE 14 – RELATED PARTY TRANSACTIONS**

**(a) Chestnut Linden Associates (CLA)**

**Ground Lease** - CLA’s lease of the land from the Authority on which Chestnut Court Apartments is built resulted in a one-time lease cost paid to the Authority of \$1 upon the closing of one or more CLA construction loans, and the term of the lease will expire in February 2082. In December 2018, OHA Development LLC, exercised a buyout option to become the limited partner of the Chestnut Linden Court Project.

**(b) Mandela Gateway Associates (MGA)**

**Ground Lease** - MGA’s lease of the land from the Authority on which the Mandela Gateway Project is built resulted in an annual lease cost of \$1 to be paid to the Authority over the life of the lease, which expires in February 2078. MGA has provided an option to acquire the Mandela Gateway Project to the Authority during the period from January 1, 2015, to June 30, 2020. The option price is the greater of the Project’s fair value, or the assumption of all outstanding debt and taxes. OHA Development LLC, a Class B Special Limited Partner, controlled by the Authority, acquired the ownership interest in the Project.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 14 – RELATED PARTY TRANSACTIONS (Continued)**

**(c) *Oakland Coliseum Housing Partners, L.P. (OCHP), Lion Creek Crossing Phase I Housing Partners, L.P.***

**Ground Lease** – OCHP leased the land on which Lion Creek Crossings – Phase I is built from the Authority. The ground rent consisted of a payment in the amount of \$635,000 by OCHP to the Authority, and the term of the lease was originally for 75 years from the recording of the California Tax Credit Allocation Committee’s tax credit restrictive covenant agreement.

The lease for this land was superseded by a lease from the Authority to Lion Creek Crossings Phase I Housing Partners, L.P., under an Amended and Restated Ground Lease Agreement dated June 1, 2024. The term of the lease is 99 years from its Commencement Date, which was July 1, 2024. An annual fixed rent payment of \$10,000 is due on December 31 of each year. Commencing on May 15, 2026, and each May 15 thereafter, additional rent payments of up to \$70,000 are payable from a share of the partnership’s residual receipts, with unpaid residual receipts rent amounts accruing. Any accrued residual receipts rent payments are due no later than 55 years from the year in which the rent payment accrued.

**(d) *Lion Way Housing Partners, L.P. (LWHP), Lion Creek Crossings Phase II Housing Partners, L.P.***

**Ground Lease** - LWHP’s lease of the land from the Authority on which Lion Creek Crossings – Phase II is built resulted in lease payments to be paid to the Authority in installments. Total payments of \$1,080,000 by LWHP were paid as of December 31, 2009, and the term of the lease is for 89 years.

The lease for this land was superseded by a lease from the Authority to Lion Creek Crossings Phase II Housing Partners, L.P., under an Amended and Restated Ground Lease Agreement dated June 1, 2024. The term of the lease is 75 years from its Commencement Date, which was July 1, 2024. An annual fixed rent payment of \$10,000 is due on December 31 of each year. Commencing on May 15, 2026, and each May 15 thereafter, additional rent payments of up to \$70,000 are payable from a share of the partnership’s residual receipts, with unpaid residual receipts rent amounts accruing.

**(e) *Creekside Housing Partners, L.P. (CHP)***

**Ground Lease** - CHP’s lease of the land from the Authority on which Lion Creek Crossings – Phase III is built resulted in lease payments to be paid to the Authority in installments. Total payments of \$1,145,200 by CHP were paid as of December 31, 2009, and the term of the lease is for 89 years.

**(f) *Foothill Family Apartments, L.P. (FFA)***

**Ground Lease** - FFA’s lease of the land from the Authority on which the Foothill Family Apartments is built resulted in annual rent payments to be paid to the Authority of \$7,972 commencing on April 1, 2006. The annual lease payments are to be made from, and to the extent of, 90 percent of residual receipts, which amount shall not accrue. Unless sooner terminated pursuant to the provisions of the lease agreement, the lease shall continue in full and expire in July 2065. For the year ended June 30, 2024, the Authority recognized lease income of \$7,972.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 14 – RELATED PARTY TRANSACTIONS (Continued)**

**(g) Tassafaronga Partners, L.P. (TP)**

**Operating Deficit Guarantee** - The Authority has agreed to guarantee obligations of Tassafaronga Housing Corporation (THC), an affiliated entity, who is the general partner in Tassafaronga Partners, L.P. (TP), an affordable housing limited partnership. These obligations may include operating deficits and development and low-income housing tax credit guarantees. Under TP's amended and restated limited partnership agreement dated October 23, 2008, THC is obligated to provide any funds needed by TP, after all funds in the Operating Reserve Account have been used, to fund Operating Deficits up to \$1,446,921 during the Operating Deficit Guaranty Period, as defined in the agreement. As of June 30, 2024, there have been no operating deficit loans made to TP.

**Conduit Debt** - From time to time, the Authority has issued Multi-family Housing Revenue Bonds to provide funds to developers for the construction of multi-family housing projects. The bonds are payable solely from the revenues collected by the developers of the projects. The Authority is not obligated in any manner for repayment of the indebtedness. Accordingly, the liabilities are not reported in the primary government's basic financial statements.

On February 11, 2011, the conduit debt on \$31,305,000 of Multi-family Housing Revenue Bonds Series 2008A and 2008B were paid off and TP received permanent financing with two tranches. One (Series A) is in the amount of \$3,910,000, bears interest at 5.65%, matures May 1, 2046, and is payable in monthly installments of \$21,383 until maturity and the other (Series B) is in the amount of \$5,580,000, bears interest at 5.45% and matures on May 1, 2026, and is payable in monthly installments of \$46,993, until maturity. These bonds have a principal balance of \$3,935,000 as of December 31, 2023.

**(h) Tassafaronga Partners II, L.P. (TP II)**

**Operating Deficit Guarantee** - The Authority has agreed to guarantee obligations of THC, who is the general partner in Tassafaronga Partners II, L.P. (TP II), an affordable housing limited partnership. These obligations may include operating deficits, development and low-income housing tax credit guarantees. Under TP II's amended and restated limited partnership agreement dated August 20, 2009, THC is obligated to provide any funds needed by the TP II, after all funds in the Operating Reserve Account have been used, to fund Operating Deficits up to \$121,900. As of June 30, 2024, there have been no operating deficit loans made to TP II.

**(i) Village-Side Housing Partners, L.P. (VSHP)**

**Ground Lease** - On November 1, 2010, VSHP entered into a ground lease agreement with the Authority to lease the land upon the 72-unit project is located. The lease term is for a period of 89 years. Upon expiration of the lease, the buildings and improvements become the property of the Authority. The ground lease consists of required payments totaling \$1,950,000, which was fully paid as of December 31, 2013. As of December 31, 2023, accumulated amortization was \$288,483.

**Operating Assistance** - VSHP operates and maintains all of the 72-units in the project, other than a manager's unit, as qualified low-income tax credit units. Of these qualified low-income units, 21 have been set aside as "ACC units", whose rents are restricted and may be less than the operating costs of the project units. The Authority has agreed to subsidize the operation of these units through the provisions of operating assistance provided to it by HUD subject to annual appropriations.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 14 – RELATED PARTY TRANSACTIONS (Continued)**

**(j)      *Lion Creek Senior Housing Partners, L.P. (LCSHP)***

**Ground Lease** - LCSHP entered into a ground lease agreement with the Authority to lease the land upon which the 128-unit project is located. The lease term is for a period of 90 years. Upon expiration of the lease, the buildings and improvements become the property of the Authority. In addition, LCSHP is obligated to pay all costs, expenses and obligations with respect to the project including real property taxes, insurance, utilities, operating costs and costs of maintenance. The ground lease consists of required payments totaling \$90, equivalent to \$1 annual rent.

**(k)      *AveVista Associates, L.P. (AV)***

**Ground Lease** - AveVista entered into a ground lease agreement with the Authority to lease the land upon which the 68-unit project is located. The lease term is for a period of 90 years, which expires in 2102. Upon termination of the lease, the buildings and improvements become the property of the Authority. The ground lease consists of required payments totaling \$90, equivalent to \$1 annual rent.

**Conduit Debt** - The Authority also participated in the issuance of \$16,532,000 of Multi-family Housing Revenue Bonds (AveVista Apartments Project) Series 2013A-1 and Series 2013A-2. These bonds were issued to provide financing for the construction and development by AveVista. These bonds have a principal balance of \$4,806,492 as of December 31, 2023, as summarized in Note 15

**(l)      *Oak Groves Senior Housing, L.P. (OGSH)***

**Ground Lease** - OGSH entered into a ground lease agreement with the Authority to lease the land upon which the 151-unit project is located. The lease term is for a period of 99 years. The annual lease payments are to be made in an amount equal to residual receipts, which amount shall not accrue. Unless sooner terminated pursuant to the provisions of the lease agreement, the lease shall continue in full and expire in December 31, 2118. For the year ended June 30, 2024, the Authority did not receive any lease income.



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 15 – SUMMARIZED FINANCIAL INFORMATION OF DISCRETELY PRESENTED COMPONENT UNITS**

The following table is the summarized financial information as of and for the year ended December 31, 2023, for the Authority's discretely presented component units.

Condensed Statement of Net Position - Discretely Presented Component Units  
December 31, 2024

|  | Chestnut<br>Linden<br>Associates (1) | Mandela<br>Gateway<br>Associates (1) | Oakland<br>Coliseum<br>Housing<br>Partners (1) | Lion Way<br>Housing<br>Partners (1) | Creekside<br>Housing<br>Partners (1) | Foothill<br>Family<br>Apartments (1) | Tassafaronga<br>Partners (1) | Tassafaronga<br>Partners II (1) | Lion Creek<br>Senior<br>Housing<br>Partners (1) | Village-Side<br>Housing<br>Partners (1) | Ave<br>Vista<br>Associates (1) | Oak Groves<br>Senior<br>Housing LP(1) | Total                |
|--|--------------------------------------|--------------------------------------|--|-------------------------------------|--------------------------------------|--------------------------------------|------------------------------|---------------------------------|---|---|--------------------------------|---------------------------------------|----------------------|
| <b>Assets</b>  |                                      |                                      |  |                                     |                                      |                                      |                              |                                 |   |   |                                |                                       |                      |
| Unrestricted cash and cash equivalents                         | \$ 78,969                            | \$ 172,270                           | \$ 138,037                                     | \$ 300,954                          | \$ 182,200                           | \$ 252,256                           | \$ 35,223                    | \$ 64,671                       | \$ 1,166,220                                    | \$ 334,977                              | \$ 290,911                     | \$ 2,820,698                          | \$ 5,837,386         |
| Restricted cash and cash equivalents                           | 1,464,103                            | 938,425                              | 1,182,274                                      | 958,298                             | 1,086,360                            | 726,051                              | 2,532,438                    | 575,669                         | 791,321   | 681,900                                 | 712,028                        | 1,252,360                             | 12,901,227           |
| Accounts receivable and other current assets                   | 155,386                              | 356,752                              | 203,238  | 213,942                             | 212,626                              | 36,746                               | 79,677                       | 31,366                          | 175,818   | 112,863                                 | 43,956                         | 1,017,463                             | 2,639,833            |
| Other noncurrent assets  | 7,440                                | -                                    | 472,722  | 849,438                             | 924,309                              | -                                    | 7,168                        | 1,215                           | 29,222  | 1,670,980                               | 8,032                          | 681,141                               | 4,651,667            |
| Capital assets, net  | 17,537,142                           | 21,172,124                           | 18,536,980                                     | 16,963,869                          | 22,995,314                           | 5,655,334                            | 27,289,222                   | 3,918,296                       | 24,018,516                                      | 19,291,646                              | 21,442,228                     | 111,116,766                           | 309,937,437          |
| <b>Total assets</b>  | <b>19,243,040</b>                    | <b>22,639,571</b>                    | <b>20,533,251</b>                              | <b>19,286,501</b>                   | <b>25,400,809</b>                    | <b>6,670,387</b>                     | <b>29,943,728</b>            | <b>4,591,217</b>                | <b>26,181,097</b>                               | <b>22,092,366</b>                       | <b>22,497,155</b>              | <b>116,888,428</b>                    | <b>335,967,550</b>   |
| <b>Liabilities</b>   |                                      |                                      |  |                                     |                                      |                                      |                              |                                 |   |   |                                |                                       |                      |
| Current liabilities  | 378,029                              | 451,488                              | 342,123  | 369,145                             | 292,369                              | 385,037                              | 1,015,738                    | 107,103                         | 793,055   | 123,070                                 | 324,739                        | 4,214,859                             | 8,796,755            |
| Other noncurrent liabilities                                   | 60,209                               | 4,567,538                            | 3,409,617                                      | 3,766,627                           | 3,098,070                            | 1,807,086                            | 3,163,536                    | 1,284,289                       | -   | 2,026,434                               | 2,121,779                      | 8,481,063                             | 33,786,248           |
| Loans from the Authority (Note 5)                              | 10,583,940                           | 3,269,336                            | 5,380,748                                      | 8,611,681                           | 3,223,793                            | 2,400,000                            | 14,313,793                   | 1,819,688                       | 7,736,872                                       | 8,628,387                               | 8,734,715                      | 49,999,901                            | 124,702,854          |
| Long-term obligations (other than<br>loans from the Authority) | 4,306,434                            | 5,277,294                            | 14,091,975                                     | 14,615,127                          | 17,579,589                           | 1,079,234                            | 15,922,233                   | 3,760,231                       | 3,895,224                                       | 14,111,675                              | 6,420,676                      | 21,266,789                            | 122,326,481          |
| <b>Total liabilities</b>                                       | <b>15,328,612</b>                    | <b>13,565,656</b>                    | <b>23,224,463</b>                              | <b>27,362,580</b>                   | <b>24,193,821</b>                    | <b>5,671,357</b>                     | <b>34,415,300</b>            | <b>6,971,311</b>                | <b>12,425,151</b>                               | <b>24,889,566</b>                       | <b>17,601,909</b>              | <b>83,962,612</b>                     | <b>289,612,338</b>   |
| <b>Net position (deficit)</b>                                  |                                      |                                      |  |                                     |                                      |                                      |                              |                                 |   |   |                                |                                       |                      |
| Net investment in capital assets                               | 2,646,769                            | 12,625,495                           | (1,179,943)                                    | (6,432,331)                         | 2,191,932                            | 2,176,100                            | (2,946,804)                  | (1,661,623)                     | 12,228,832                                      | (3,448,416)                             | 6,286,837                      | 39,850,076                            | 62,336,924           |
| Restricted   | 1,370,450                            | 825,175                              | 1,113,963                                      | 871,112                             | 1,025,676                            | 685,906                              | 2,434,938                    | 569,351                         | 749,286   | 645,403                                 | 682,301                        | 1,216,789                             | 12,190,350           |
| Unrestricted   | (102,791)                            | (4,376,755)                          | (2,625,232)                                    | (2,514,860)                         | (2,010,620)                          | (1,862,976)                          | (3,959,706)                  | (1,287,822)                     | 777,828   | 5,813                                   | (2,073,892)                    | (8,141,049)                           | (28,172,062)         |
| <b>Net position (deficit)</b>                                  | <b>\$ 3,914,428</b>                  | <b>\$ 9,073,915</b>                  | <b>\$ (2,691,212)</b>                          | <b>\$ (8,076,079)</b>               | <b>\$ 1,206,988</b>                  | <b>\$ 999,030</b>                    | <b>\$ (4,471,572)</b>        | <b>\$ (2,380,094)</b>           | <b>\$ 13,755,946</b>                            | <b>\$ (2,797,200)</b>                   | <b>\$ 4,895,246</b>            | <b>\$ 32,925,816</b>                  | <b>\$ 46,355,212</b> |

(1) Component unit was audited by other auditors.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 15 – SUMMARIZED FINANCIAL INFORMATION OF DISCRETELY PRESENTED COMPONENT UNITS (Continued)**

Condensed Statement of Revenues, Expenses and Changes in Net Position - Discretely Presented Component Units  
For Year Ended December 31, 2023

|  | Chestnut<br>Linden<br>Associates (1) | Mandela<br>Gateway<br>Associates (1) | Oakland<br>Coliseum<br>Housing<br>Partners (1) | Lion Way<br>Housing<br>Partners (1) | Creekside<br>Housing<br>Partners (1) | Foothill<br>Family<br>Apartments (1) | Tassafaronga<br>Partners (1) | Tassafaronga<br>Partners II (1) | Lion Creek<br>Senior<br>Housing<br>Partners (1) | Village-Side<br>Housing<br>Partners (1) | Ave<br>Vista<br>Associates (1) | Oak Groves<br>Senior<br>Housing LP(1) | Total         |
|--|--------------------------------------|--------------------------------------|--|-------------------------------------|--------------------------------------|--------------------------------------|------------------------------|---------------------------------|---|---|--------------------------------|---------------------------------------|---------------|
| Operating revenues                         | \$ 2,758,540                         | \$ 2,758,571                         | \$ 1,815,326                                   | \$ 2,388,925                        | \$ 1,724,935                         | \$ 1,334,793                         | \$ 3,347,907                 | \$ 430,770                      | \$ 2,848,382                                    | \$ 1,218,490                            | \$ 1,478,606                   | \$ 3,933,545                          | \$ 26,038,790 |
| Operating expenses                         | (2,956,139)                          | (3,403,915)                          | (2,307,750)                                    | (3,472,466)                         | (2,302,743)                          | (1,364,482)                          | (4,522,319)                  | (674,636)                       | (2,316,684)                                     | (1,885,277)                             | (1,625,011)                    | (4,745,138)                           | (31,576,560)  |
| Operating income (loss)                    | (197,599)                            | (645,344)                            | (492,424)                                      | (1,083,541)                         | (577,808)                            | (29,689)                             | (1,174,412)                  | (243,866)                       | 531,698   | (666,787)                               | (146,405)                      | (811,593)                             | (5,537,770)   |
| Investment income                          | 30,825                               | 112,869                              | 341  | 16,791                              | 14,230                               | -                                    | 49,370                       | 24,145                          | 1,010   | 328                                     | 11,447                         | 3                                     | 261,359       |
| Interest expense                           | (1,500)                              | (306,774)                            | (394,243)                                      | (533,383)                           | (496,725)                            | (272,038)                            | (627,203)                    | (115,088)                       | (206,108)                                       | (298,915)                               | (576,444)                      | (2,474,184)                           | (6,302,605)   |
| Other nonoperating (expenses)              | -                                    | -                                    | -  | -                                   | -                                    | -                                    | -                            | -                               | -   | -                                       | (8,422)                        | -                                     | (8,422)       |
| Income (loss) before capital distributions | (168,274)                            | (839,249)                            | (886,326)                                      | (1,600,133)                         | (1,060,303)                          | (301,727)                            | (1,752,245)                  | (334,809)                       | 326,600   | (965,374)                               | (719,824)                      | (3,285,774)                           | (11,587,438)  |
| Capital contributions (distributions)      | -                                    | -                                    | -  | (67,283)                            | -                                    | (15,867)                             | -                            | -                               | (22,607)  | (2,950)                                 | (5,710)                        | 42,518,733                            | 42,404,316    |
| Change in net position                     | (168,274)                            | (839,249)                            | (886,326)                                      | (1,667,416)                         | (1,060,303)                          | (317,594)                            | (1,752,245)                  | (334,809)                       | 303,993   | (968,324)                               | (725,534)                      | 39,232,959                            | 30,816,878    |
| Net position (deficit), beginning of year  | 4,082,702                            | 9,913,164                            | (1,804,886)                                    | (6,408,663)                         | 2,267,291                            | 1,316,624                            | (2,719,327)                  | (2,045,285)                     | 13,451,953                                      | (1,828,876)                             | 5,620,780                      | (6,307,143)                           | 15,538,334    |
| Net position (deficit), end of year        | \$ 3,914,428                         | \$ 9,073,915                         | \$ (2,691,212)                                 | \$ (8,076,079)                      | \$ 1,206,988                         | \$ 999,030                           | \$ (4,471,572)               | \$ (2,380,094)                  | \$ 13,755,946                                   | \$ (2,797,200)                          | \$ 4,895,246                   | \$ 32,925,816                         | \$ 46,355,212 |

(1) Component unit was audited by other auditors.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 15 – SUMMARIZED FINANCIAL INFORMATION OF DISCRETELY PRESENTED  
COMPONENT UNITS (Continued)**

***Custodial Credit Risk – Deposits*** - The Authority's discrete component units maintain cash and cash equivalents with various financial institutions. At times, these balances may exceed federal insurance limits; however, the discrete component units have not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these balances which are reported as of December 31, 2023.

***Restricted Cash and Cash Equivalents*** - The Authority's discrete component units are required to maintain the following types of restricted cash and cash equivalents:

- **Replacement Reserves** – The partnerships are required to maintain reserves for replacement and repair of property and equipment in accordance with the partnership agreements and the lenders' regulatory agreements.
- **Operating Reserves** – The partnerships are required to maintain operating reserves in accordance with the partnership agreements and the lenders' regulatory agreements.
- **Affordability Reserves** – The partnerships under various agreements are required to establish an affordability reserve to be used as provided in the Authority's regulatory agreements for the benefit of the project units.
- **Priority Distribution Reserves** – The partnerships are required to establish a reserve from designated proceeds as defined in the partnership agreements. Funds shall be used to distribute to the investor limited partner upon sale by the investor limited partner of its interest, the withdrawal of investor limited partner or the dissolution of the partnership.
- **Security Reserves** – The partnerships are required to establish a reserve from designated proceeds as defined in the partnership agreements. Funds shall be used to provide for security services during the lease up period.
- **Asset Management Fee Reserves** – The partnerships are required to establish a reserve from designated proceeds as defined in the partnership agreements. Funds shall be released annually to pay the cumulative asset management fee to the investor limited partner. Any funds remaining after the end of the compliance period shall be distributed as cash flow at the time of withdrawal of the investor limited partner or dissolution of the partnerships.
- **Section 8 Reserves** – The partnerships are required to establish a Section 8 Reserve to secure a HAP Contract. Funds shall be available to cover operating shortfalls in the event Section 8 funds to the project are reduced or eliminated, subject to the consent of the limited partner, and any requisite approvals.
- **Debt Service Reserves** – The partnership received funds from the loan servicer for the next scheduled monthly debt service payment, which are held by the trustee until the due date.
- **Revenue Deficit Reserves** – The partnership is required to establish a revenue deficit reserve to fund the operating deficits in case the HUD rental assistance contract is not renewed or is reduced.
- **Escrow Deposits** – The partnerships hold escrow deposits for monthly impound deposits.
- **Tenant Security Deposits** – The partnerships are required to hold security deposits in separate bank accounts in the name of the housing project.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 15 – SUMMARIZED FINANCIAL INFORMATION OF DISCRETELY PRESENTED COMPONENT UNITS (Continued)**

At December 31, 2023, these component units' restricted cash and cash equivalents are as follows:

|                                | CLA                 | MGA               | OCHP                | LWHP              | CHP                 | FFA               |
|--------------------------------|---------------------|-------------------|---------------------|-------------------|---------------------|-------------------|
| Restricted deposits for:       |                     |                   |                     |                   |                     |                   |
| Replacement reserves           | \$ 763,900          | \$ 412,811        | \$ 402,754          | \$ 343,161        | \$ 340,718          | \$ 418,316        |
| Operating reserves             | 606,550             | 317,821           | 501,722             | 395,404           | 474,164             | 267,590           |
| Affordability reserves         | -                   | -                 | 34,501              | -                 | -                   | -                 |
| Priority distribution reserves | -                   | -                 | 43,500              | -                 | -                   | -                 |
| Security reserves              | -                   | -                 | 119,241             | -                 | -                   | -                 |
| Asset management fee reserves  | -                   | -                 | -                   | -                 | 57,816              | -                 |
| Section 8 reserves             | -                   | -                 | -                   | 92,194            | 122,432             | -                 |
| Debt service reserves          | -                   | -                 | -                   | -                 | -                   | -                 |
| Revenue deficit reserves       | -                   | -                 | -                   | -                 | -                   | -                 |
| Escrow deposits                | -                   | 94,543            | 12,245              | 40,353            | 30,546              | -                 |
| Tenant security deposits       | 93,653              | 113,250           | 68,311              | 87,186            | 60,684              | 40,145            |
| Total restricted deposits      | <u>\$ 1,464,103</u> | <u>\$ 938,425</u> | <u>\$ 1,182,274</u> | <u>\$ 958,298</u> | <u>\$ 1,086,360</u> | <u>\$ 726,051</u> |

|                                | TP                  | TP II             | LCSHA             | VSHP              | AV                | OGSH                | Total                |
|--------------------------------|---------------------|-------------------|-------------------|-------------------|-------------------|---------------------|----------------------|
| Restricted deposits for:       |                     |                   |                   |                   |                   |                     |                      |
| Replacement reserves           | \$ 654,010          | \$ 89,937         | \$ 396,631        | \$ 277,032        | \$ 165,844        | \$ 241,601          | \$ 4,506,715         |
| Operating reserves             | 482,307             | 169,192           | 352,655           | 225,607           | 448,257           | 720,295             | 4,961,564            |
| Affordability reserves         | -                   | -                 | -                 | -                 | -                 | -                   | 34,501               |
| Priority distribution reserves | -                   | -                 | -                 | -                 | -                 | -                   | 43,500               |
| Security reserves              | -                   | -                 | -                 | -                 | -                 | -                   | 119,241              |
| Asset management fee reserves  | -                   | -                 | -                 | -                 | -                 | 169,500             | 227,316              |
| Section 8 reserves             | -                   | -                 | -                 | 142,764           | -                 | -                   | 357,390              |
| Debt service reserves          | 74,346              | -                 | -                 | -                 | -                 | -                   | 74,346               |
| Revenue deficit reserves       | 1,081,005           | 310,222           | -                 | -                 | -                 | -                   | 1,391,227            |
| Escrow deposits                | 143,270             | -                 | -                 | -                 | 68,200            | 85,393              | 474,550              |
| Tenant security deposits       | 97,500              | 6,318             | 42,035            | 36,497            | 29,727            | 35,571              | 710,877              |
| Total restricted deposits      | <u>\$ 2,532,438</u> | <u>\$ 575,669</u> | <u>\$ 791,321</u> | <u>\$ 681,900</u> | <u>\$ 712,028</u> | <u>\$ 1,252,360</u> | <u>\$ 12,901,227</u> |

**Capital Assets** - The Authority's component units' capital assets activity for the year ended December 31, 2023, is as follows:

|   | January 1,<br>2023    | Additions/<br>Transfers | Reductions/<br>Transfers | December 31,<br>2023  |
|---|-----------------------|-------------------------|--------------------------|-----------------------|
| <i>Capital assets, not being depreciated:</i> |                       |                         |                          |                       |
| Land and improvements                         | \$ 16,563,703         | \$ -                    | \$ -                     | \$ 16,563,703         |
| Construction in progress                      | -                     | 360,332                 | -                        | 360,332               |
| Total capital assets, not being depreciated   | <u>16,563,703</u>     | <u>360,332</u>          | <u>-</u>                 | <u>16,924,035</u>     |
| <i>Capital assets, being depreciated:</i>     |                       |                         |                          |                       |
| Building and improvements                     | 464,573,646           | 30,666                  | (5,191,848)              | 459,412,464           |
| Furniture and Fixtures                        | 10,951,436            | 99,183                  | (988,560)                | 10,062,059            |
| Vehicles                                      | 8,624                 | -                       | -                        | 8,624                 |
| Total capital assets, being depreciated       | <u>475,533,706</u>    | <u>129,849</u>          | <u>(6,180,408)</u>       | <u>469,483,147</u>    |
| <i>Less accumulated depreciation</i>          | <u>(168,800,023)</u>  | <u>(13,675,130)</u>     | <u>6,005,408</u>         | <u>(176,469,745)</u>  |
| Total capital assets, being depreciated, net  | <u>306,733,683</u>    | <u>(13,545,281)</u>     | <u>(175,000)</u>         | <u>293,013,402</u>    |
| Component units capital assets, net           | <u>\$ 323,297,386</u> | <u>\$ (13,184,949)</u>  | <u>\$ (175,000)</u>      | <u>\$ 309,937,437</u> |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 15 – SUMMARIZED FINANCIAL INFORMATION OF DISCRETELY PRESENTED  
COMPONENT UNITS (Continued)**

***Long-Term Obligations (Other than Loans from the Authority)***

Outstanding component units' long-term debt as of December 31, 2023, consisted of the following:

| Type of indebtedness (purpose)                   | Maturity<br>Year | Interest<br>Rates | Principal<br>Installments                              | Balance<br>December 31, 2023 |
|--|------------------|-------------------|--|------------------------------|
| <i>Chestnut Linden Associates</i>                |                  |                   |  |                              |
| Redevelopment Agency of the City of Oakland      | 2057             | 0.0%              | Excess/distributable cash                              | \$ 4,357,954                 |
| <i>AveVista Associates, L.P.</i>                 |                  |                   |  |                              |
| JP Morgan Chase I                                | 2051             | 5.28%             | \$27,755 monthly payment                               | 4,806,492                    |
| JP Morgan Chase II                               | 2051             | 3.6%              | \$3,564 monthly payment                                | 741,775                      |
| JP Morgan Chase II                               | 2027             | 5.4%              | \$9,204 monthly payment                                | 403,236                      |
| Federal Home Loan Bank of San Francisco          | 2030             | 0.0%              | At maturity  | 670,000                      |
| Total AveVista Associates, L.P.                  |                  |                   |  | 6,621,503                    |
| <i>Mandela Gateway Associates</i>                |                  |                   |  |                              |
| California Housing Finance Agency                | 2035             | 3.0%              | Sufficient residual receipts                           | 805,757                      |
| Redevelopment Agency of the City of Oakland      | 2058             | 3.0%              | Sufficient residual receipts                           | 2,500,000                    |
| City of Oakland                                  | 2058             | 3.0%              | Sufficient residual receipts                           | 1,000,000                    |
| World Savings Bank Affordable<br>Housing Program | 2060             | 0.0%              | At maturity  | 1,000,000                    |
| Total Mandela Gateway Associates                 |                  |                   |  | 5,305,757                    |
| <i>Oakland Coliseum Housing Partners, L.P.</i>   |                  |                   |  |                              |
| California Housing Finance Agency Note #A        | 2042             | 5.5%              | \$18,366 monthly payments<br>of principal and interest | 2,535,471                    |
| California Housing Finance Agency Note #B        | 2042             | 3.0%              | \$2,213 monthly payments                               | 372,837                      |
| Department of Housing and Community Development  | 2061             | 3.0%              | 0.42% of unpaid principal annually                     | 7,965,000                    |
| City of Oakland                                  | 2059             | 0.0%              | 9.3% of net cash flow                                  | 1,465,328                    |
| City of Oakland (Successor Agency)               | 2059             | 0.0%              | 9.3% of net cash flow                                  | 1,465,328                    |
| Affinity Bank                                    | 2042             | 0.0%              | At maturity  | 460,000                      |
| Total Oakland Coliseum Housing Partners, L.P.    |                  |                   |  | 14,263,964                   |
| <i>Lion Way Housing Partners, L.P.</i>           |                  |                   |  |                              |
| California Housing Finance Agency Note #1        | 2047             | 5.9%              | \$21,948 monthly payments<br>of principal and interest | 3,371,499                    |
| California Housing Finance Agency Note #2        | 2047             | 3.0%              | \$2,613 monthly payments                               | 534,774                      |
| Department of Housing and Community Development  | 2062             | 3.0%              | 0.42% of unpaid principal annually                     | 10,315,000                   |
| Affinity Bank                                    | 2042             | 0.0%              | At maturity  | 645,000                      |
| Total Lion Way Housing Partners, L.P.            |                  |                   |  | 14,866,273                   |
| <i>Creekside Housing Partners, L.P.</i>          |                  |                   |  |                              |
| California Housing Finance Agency Note #A        | 2049             | 5.7%              | \$21,601 monthly payments<br>of principal and interest | 3,461,056                    |
| California Housing Finance Agency Note #C        | 2049             | 3.0%              | \$1,897 monthly payments                               | 401,886                      |
| Department of Housing and Community Development  | 2064             | 3.0%              | 0.42% of unpaid principal annually                     | 9,028,478                    |
| City of Oakland                                  | 2061             | 0.0%              | 9% of residual receipts                                | 4,427,940                    |
| Far East National Bank                           | 2061             | 0.0%              | At maturity  | 525,000                      |
| Total Creekside Housing Partners, L.P.           |                  |                   |  | 17,844,360                   |
| <i>Foothill Family Apartments, L.P.</i>          |                  |                   |  |                              |
| Hanmi Bank, Federal Savings Bank                 | 2035             | 7.5%              | \$12,375 monthly payments                              | 1,153,311                    |

(Continued on next page)

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 15 – SUMMARIZED FINANCIAL INFORMATION OF DISCRETELY PRESENTED  
COMPONENT UNITS (Continued)**

***Long-Term Obligations (Other than Loans from the Authority) (Continued)***

Outstanding component units' long-term debt as of December 31, 2023, consisted of the following (continued):

| Type of indebtedness (purpose)                                | Maturity<br>Year | Interest<br>Rates    | Principal<br>Installments          | Balance<br>December 31, 2023 |
|---|------------------|----------------------|------------------------------------|------------------------------|
| <i>Tassafaronga Partners, L.P.</i>                            |                  |                      |                                    |                              |
| Wells Fargo Bank, N.A. Series A and Series B                  | 2026             | 5.45% - 5.65%        | \$68,376 monthly payments          | \$ 3,935,000                 |
| Redevelopment Agency of the City of Oakland                   | 2063             | 0.0%                 | 14.88% of cash flow                | 2,866,689                    |
| Department of Housing and Community Development               | 2066             | 3.0%                 | 0.42% of unpaid principal annually | 10,000,000                   |
| Total Tassafaronga Partners, L.P.                             |                  |                      |                                    | 16,801,689                   |
| <i>Tassafaronga Partners II, L.P.</i>                         |                  |                      |                                    |                              |
| California Department of Housing and Community Development    | 2066             | 3.0%                 | 0.42% of unpaid principal annually | 2,725,055                    |
| Citibank, N.A. - Affordable Housing Program                   | 2064             | 0.0%                 | At maturity                        | 200,000                      |
| County of Alameda Loan  | 2064             | 3.0%                 | 10.2% of surplus cash              | 500,000                      |
| California Tax Credit Allocation Committee (TCAC)             | 2065             | 0.0%                 | At maturity                        | 388,241                      |
| Total Tassafaronga Partners II, L.P.                          |                  |                      |                                    | 3,813,296                    |
| <i>Village-Side Housing Partners, L.P.</i>                    |                  |                      |                                    |                              |
| California Community Reinvestment Corporation - Non-Section 8 | 2042             | 6.25%                | \$3,817 monthly payments           | 509,884                      |
| City of Oakland   | 2065             | 0.0%                 | 50% of cash flow                   | 3,448,557                    |
| Department of Housing and Community Development               | 2067             | 3.0%                 | 0.42% of unpaid principal annually | 7,527,592                    |
| Redevelopment Agency of the City of Oakland                   | 2065             | 0.0%                 | 50% of residual receipts           | 2,937,148                    |
| Total Village-Side Housing Partners, L.P.                     |                  |                      |                                    | 14,423,181                   |
| <i>Lion Creek Senior Housing Partners, L.P.</i>               |                  |                      |                                    |                              |
| MUFG Union Bank   | 2030             | 65% of LIBOR + 2.35% | Based on 15 year amortization      | 3,276,460                    |
| MUFG Union Bank (AHP Note)                                    | 2070             | 0.0%                 | At maturity                        | 1,270,000                    |
| Total Lion Creek Senior Housing Partners, L.P.                |                  |                      |                                    | 4,546,460                    |
| <i>Oak Groves Senior Housing, L.P.</i>                        |                  |                      |                                    |                              |
| PGM Real Estate Agency Financing, LLC                         | 2053             | 4.25%                | \$116,907 monthly payment          | 23,283,631                   |
| Total Component Units   |                  |                      |                                    | \$ 127,281,379               |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 15 – SUMMARIZED FINANCIAL INFORMATION OF DISCRETELY PRESENTED  
COMPONENT UNITS (Continued)**

Changes to the component units' long-term obligations for the year ended December 31, 2023, is as follows:

|  | Balance<br>January 1,<br>2023 | Additions            | Reductions             | Balance<br>December 31,<br>2023      | Amounts<br>Due Within<br>One Year |
|--|-------------------------------|----------------------|------------------------|--------------------------------------|-----------------------------------|
| <i>Component Units:</i>                  |                               |                      |                        |                                      |                                   |
| Chestnut Linden Associates               | \$ 4,961,954                  | \$ -                 | \$ (604,000)           | \$ 4,357,954                         | \$ -                              |
| AveVista Associates, L.P.                | 6,796,149                     | -                    | (174,646)              | 6,621,503                            | 183,179                           |
| Mandela Gateway Associates               | 5,327,409                     | -                    | (21,652)               | 5,305,757                            | -                                 |
| Oakland Coliseum Housing Partners, L.P.  | 14,360,886                    | -                    | (96,922)               | 14,263,964                           | 98,615                            |
| Lion Way Housing Partners, L.P.          | 14,943,783                    | -                    | (77,510)               | 14,866,273                           | 81,754                            |
| Creekside Housing Partners, L.P.         | 17,917,370                    | -                    | (73,010)               | 17,844,360                           | 74,469                            |
| Foothill Family Apartments, L.P.         | 1,212,805                     | -                    | (59,494)               | 1,153,311                            | 64,284                            |
| Tassafaronga Partners, L.P.              | 17,465,441                    | -                    | (663,752)              | 16,801,689                           | 623,657                           |
| Tassafaronga Partners II, L.P.           | 3,813,296                     | -                    | -                      | 3,813,296                            | -                                 |
| Village-Side Housing Partners, L.P.      | 14,447,132                    | -                    | (23,951)               | 14,423,181                           | 14,348                            |
| Lion Creek Senior Housing Partners, L.P. | 4,948,724                     | -                    | (402,264)              | 4,546,460                            | 421,792                           |
| Oak Groves Senior Housing, L.P.          | 63,887,500                    | 23,600,000           | (64,203,869)           | 23,283,631                           | 968,883                           |
| Total                                    | <u>\$ 170,082,449</u>         | <u>\$ 23,600,000</u> | <u>\$ (66,401,070)</u> | 127,281,379                          | <u>\$ 2,530,981</u>               |
|  |                               |                      |                        | Less unamortized debt issuance costs | (2,423,917)                       |
|  |                               |                      |                        | Long-term obligations, net           | <u>\$ 124,857,462</u>             |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 16 – SUMMARIZED FINANCIAL INFORMATION OF BLENDED COMPONENT UNITS**

The condensed statement of net position of CAHI and OAHPI are as follows at June 30, 2024:

|  | <b>California<br/>Affordable<br/>Housing<br/>Initiatives, Inc.</b> | <b>Oakland<br/>Affordable<br/>Housing<br/>Preservation<br/>Initiatives</b> |
|--|--|--|
| Assets                                       |  |  |
| Unrestricted cash and cash equivalents       | \$ 93,422,846  | \$ 5,123,167   |
| Restricted cash and cash equivalents         | 18,014,976   | 92,777,959   |
| Accounts receivable and other current assets | 4,513,482  | 20,902,122   |
| Other noncurrent assets                      | 259,608  | 7,721,307  |
| Capital assets, net                          | 11,949,177   | 37,475,009   |
| Total assets                                 | <u>128,160,089</u>   | <u>163,999,564</u>   |
| Deferred outflows of resources               |  |  |
| Pension related items                        | 135,857  | 4,280,787  |
| OPEB related items                           | 96,570   | 925,520  |
| Total deferred outflows of resources         | <u>232,427</u>   | <u>5,206,307</u>   |
| Liabilities                                  |  |  |
| Current liabilities                          | 3,120,033  | 2,934,199  |
| Unearned revenues                            | 17,480,649   | 2,800,294  |
| Due to the Authority                         | 270,230  | 4,505,643  |
| Other noncurrent liabilities                 | 51,121   | 1,841,771  |
| Total liabilities                            | <u>20,922,033</u>  | <u>12,081,907</u>  |
| Deferred inflows of resources                |  |  |
| Pension related items                        | 38,872   | 41,129   |
| OPEB related items                           | 61,224   | 1,982,879  |
| Total deferred inflows of resources          | <u>100,096</u>   | <u>2,024,008</u>   |
| Net position                                 |  |  |
| Net investment in capital assets             | 11,949,177   | 37,475,009   |
| Restricted                                   | 17,982,698   | 99,985,945   |
| Unrestricted                                 | 77,438,512   | 17,639,002   |
| Total net position                           | <u>\$ 107,370,387</u>  | <u>\$ 155,099,956</u>  |



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 16 – SUMMARIZED FINANCIAL INFORMATION OF BLENDED COMPONENT UNITS  
(Continued)**

The condensed statement of revenues, expenses and changes in net position of CAHI and OAHPI are as follows for the year ended June 30, 2024:

|   | <b>California<br/>Affordable<br/>Housing<br/>Initiatives, Inc.</b> | <b>Oakland<br/>Affordable<br/>Housing<br/>Preservation<br/>Initiatives</b> |
|---|--|--|
| Operating revenues:                         |  |  |
| Rental income                               | \$ -   | \$ 33,317,712  |
| Housing assistance payment revenues         | 848,255,741  | -  |
| Miscellaneous and other revenues            | 25,824,688   | 33,348   |
| Total operating revenues                    | <u>874,080,429</u>   | <u>33,351,060</u>  |
| Operating expenses                          |  |  |
| Program services                            | 848,255,741  | -  |
| Management and general                      | 17,732,080   | 29,057,221   |
| Depreciation and amortization               | 438,219  | 6,111,450  |
| Total operating expenses                    | <u>866,426,040</u>   | <u>35,168,671</u>  |
| Operating income                            | <u>7,654,389</u>   | <u>(1,817,611)</u>   |
| Nonoperating revenues (expenses)            |  |  |
| Investment income                           | 4,399,946  | 4,315,409  |
| Other nonoperating expenses                 | (189,631)  | -  |
| Total nonoperating revenues (expenses), net | <u>4,210,315</u>   | <u>4,315,409</u>   |
| Change in net position                      | 11,864,704   | 2,497,798  |
| Net position, beginning of year             | <u>95,505,683</u>  | <u>152,602,158</u>   |
| Net position, end of year                   | <u>\$ 107,370,387</u>  | <u>\$ 155,099,956</u>  |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Notes to Basic Financial Statements (Continued)  
For the Year Ended June 30, 2024

**NOTE 16 – SUMMARIZED FINANCIAL INFORMATION OF BLENDED COMPONENT UNITS  
(Continued)**

The statement of cash flows of CAHI and OAHPI are as follows for the year ended June 30, 2024:

|  | <b>California<br/>Affordable<br/>Housing<br/>Initiatives, Inc.</b> | <b>Oakland<br/>Affordable<br/>Housing<br/>Preservation<br/>Initiatives</b> |
|--|--|--|
| Cash flows from operating activities:  |  |  |
| Receipts from tenants  | \$ -   | \$ 36,566,623  |
| Receipts from others   | 786,271  | 42,640   |
| Transfer from other funds for Local Housing Support Program  | 17,480,649   |  |
| Receipts from housing assistance programs  | 871,374,227  | -  |
| Payments to suppliers for goods and services   | (16,131,957)   | (30,835,736)   |
| Housing assistance payments on behalf of tenants   | (848,255,741)  | -  |
| Net cash provided by operating activities  | <u>25,253,449</u>  | <u>5,773,527</u>   |
| Cash flows from noncapital financing activities:   |  |  |
| Short term borrowings (repayments) from/to the Authority   | -  | 1,577,516  |
| Developer fees received  | -  | 1,620,545  |
| Net cash used by investing activities  | <u>-</u>   | <u>3,198,061</u>   |
| Cash flows from capital and related financing activities:  |  |  |
| Acquisition of capital assets  | <u>(63,136)</u>  | <u>(9,169,270)</u>   |
| Cash flows from investing activities:  |  |  |
| Interest income  | <u>4,395,600</u>   | <u>4,315,409</u>   |
| Net change in cash and cash equivalents  | 29,585,913   | 4,117,727  |
| Cash and cash equivalents, beginning of year   | <u>81,851,909</u>  | <u>93,783,400</u>  |
| Cash and cash equivalents, end of year   | <u>\$ 111,437,822</u>  | <u>\$ 97,901,127</u>   |
| <b>Reconciliation of change in operating income to net cash provided by operating activities:</b>            |  |  |
| Operating income (loss)  | \$ 7,654,389   | \$ (1,817,611)   |
| Adjustments to reconcile change in operating income to net cash provided by operating activities:            |  |  |
| Depreciation   | 438,219  | 6,111,450  |
| Adjustment to capital assets   | 690,704  | 111,338  |
| Change in net pension and OPEB asset and pension and OPEB related deferred outflows and inflows of resources | (64,363)   | (1,942,259)  |
| (Increase) decrease in:  |  |  |
| Accounts receivable  | (2,523,934)  | 1,518,444  |
| Prepaid and other assets   | (25,918)   | (45,988)   |
| Increase in:   |  |  |
| Accounts payable and other accrued liabilities   | 1,603,903  | 98,394   |
| Unearned revenue   | 17,480,449   | 1,709,150  |
| Tenant security deposits and unearned revenues   | -  | 30,609   |
| Net cash provided by operating activities  | <u>\$ 25,253,449</u>   | <u>\$ 5,773,527</u>  |

# REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the Net Position Liability/(Asset)  
and Related Ratios - Miscellaneous Plan

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Schedule of Proportionate Share of the Net Position Liability/(Asset) and  
Related Ratios - Safety Plan

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Schedule of Pension Contributions

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Schedule of Changes in the Net Other Postemployment Benefit (OPEB)  
Liability/(Asset) and Related Ratios

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Schedule of OPEB Contributions

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**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Required Supplementary Information (Unaudited)  
Schedule of Changes in the Net Pension Liability/(Asset) and Related Ratios  
Miscellaneous Plan  
Last 10 Years

| Measurement Date   | 2024<br>June 30, 2023 | 2023<br>June 30, 2022 | 2022<br>June 30, 2021  | 2021<br>June 30, 2020 | 2020<br>June 30, 2019 | 2019<br>June 30, 2018 | 2018<br>June 30, 2017 | 2017<br>June 30, 2016 | 2016<br>June 30, 2015 | 2015<br>June 30, 2014 |
|--|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Total Pension Liability</b>   |                       |                       |                        |                       |                       |                       |                       |                       |                       |                       |
| Service cost   | \$ 4,467,652          | \$ 4,444,880          | \$ 4,061,578           | \$ 4,001,469          | \$ 3,877,547          | \$ 3,904,019          | \$ 3,539,014          | \$ 3,310,145          | \$ 3,292,478          | \$ 3,364,122          |
| Interest on the total pension liability                                    | 11,599,012            | 10,968,774            | 10,383,767             | 9,809,634             | 9,341,678             | 8,716,651             | 8,131,615             | 7,816,926             | 7,426,882             | 6,975,906             |
| Changes of assumptions*  | 216,134               | 5,578,927             | -                      | -                     | -                     | (838,777)             | 6,592,553             | -                     | (1,765,900)           | -                     |
| Differences between expected and actual experience                         | 1,179,679             | 582,065               | 842,901                | (615,849)             | 1,846,165             | 2,377,149             | (1,610,353)           | (1,268,669)           | (421,954)             | -                     |
| Benefit payments, including refunds of employee contributions              | (8,159,998)           | (7,213,954)           | (6,901,564)            | (6,406,854)           | (5,834,169)           | (5,589,745)           | (4,828,573)           | (4,525,216)           | (4,196,558)           | (3,893,482)           |
| Net change in total pension liability during measurement period            | 9,302,479             | 14,360,692            | 8,386,682              | 6,788,400             | 9,231,221             | 8,569,297             | 11,824,256            | 5,333,186             | 4,334,948             | 6,446,546             |
| Total pension liability, beginning   | 168,551,988           | 154,191,296           | 145,804,614            | 139,016,214           | 129,784,993           | 121,215,696           | 109,391,440           | 104,058,254           | 99,723,306            | 93,276,760            |
| <b>Total pension liability, ending</b>                                     | <b>\$ 177,854,467</b> | <b>\$ 168,551,988</b> | <b>\$ 154,191,296</b>  | <b>\$ 145,804,614</b> | <b>\$ 139,016,214</b> | <b>\$ 129,784,993</b> | <b>\$ 121,215,696</b> | <b>\$ 109,391,440</b> | <b>\$ 104,058,254</b> | <b>\$ 99,723,306</b>  |
| <b>Plan Fiduciary Net Position</b>   |                       |                       |                        |                       |                       |                       |                       |                       |                       |                       |
| Contributions from the employer  | \$ 3,036,433          | \$ 2,545,113          | \$ 10,930,265          | \$ 2,509,707          | \$ 2,368,628          | \$ 8,270,111          | \$ 2,024,979          | \$ 2,131,200          | \$ 7,801,695          | \$ 6,509,930          |
| Contributions from the employees   | 2,000,863             | 1,859,631             | 1,807,517              | 1,684,068             | 1,668,844             | 1,595,254             | 1,491,076             | 1,418,382             | 1,403,565             | 1,491,558             |
| Net investment income  | 9,780,375             | (13,126,714)          | 32,181,936             | 6,604,199             | 8,274,942             | 9,954,514             | 11,533,624            | 552,372               | 2,225,891             | 13,852,443            |
| Benefit payments, including refunds of employee contributions              | (8,159,998)           | (7,213,954)           | (6,901,564)            | (6,406,854)           | (5,834,169)           | (5,589,745)           | (4,828,573)           | (4,525,216)           | (4,196,558)           | (3,893,482)           |
| Other miscellaneous income/expenses**                                      | -                     | -                     | -                      | 216                   | 333                   | (335,730)             | -                     | -                     | -                     | -                     |
| Administrative expenses  | (117,287)             | (109,352)             | (137,516)              | (188,144)             | (90,680)              | (176,635)             | (152,492)             | (63,244)              | (116,826)             | -                     |
| Net change in plan fiduciary net position                                  | 6,540,386             | (16,045,276)          | 37,880,638             | 4,203,192             | 6,387,898             | 13,717,769            | 10,068,614            | (486,506)             | 7,117,767             | 17,960,449            |
| Plan fiduciary net position, beginning                                     | 159,496,983           | 175,542,259           | 137,661,621            | 133,458,429           | 127,070,531           | 113,352,762           | 103,284,148           | 103,770,654           | 96,652,887            | 78,692,438            |
| <b>Plan fiduciary net position, ending</b>                                 | <b>\$ 166,037,369</b> | <b>\$ 159,496,983</b> | <b>\$ 175,542,259</b>  | <b>\$ 137,661,621</b> | <b>\$ 133,458,429</b> | <b>\$ 127,070,531</b> | <b>\$ 113,352,762</b> | <b>\$ 103,284,148</b> | <b>\$ 103,770,654</b> | <b>\$ 96,652,887</b>  |
| <b>Plan Net Pension Liability (Asset), ending</b>                          | <b>\$ 11,817,098</b>  | <b>\$ 9,055,005</b>   | <b>\$ (21,350,963)</b> | <b>\$ 8,142,993</b>   | <b>\$ 5,557,785</b>   | <b>\$ 2,714,462</b>   | <b>\$ 7,862,934</b>   | <b>\$ 6,107,292</b>   | <b>\$ 287,600</b>     | <b>\$ 3,070,419</b>   |
| Plan fiduciary net position as a percentage of the total pension liability | 93.36%                | 94.63%                | 113.85%                | 94.42%                | 96.00%                | 97.91%                | 93.51%                | 94.42%                | 99.72%                | 96.92%                |
| Covered payroll  | \$ 27,987,555         | \$ 25,938,613         | \$ 25,133,525          | \$ 24,443,913         | \$ 23,460,475         | \$ 23,275,616         | \$ 20,662,154         | \$ 21,174,091         | \$ 20,747,861         | \$ 20,393,561         |
| Plan net pension liability (asset) as a percentage of covered payroll      | 42.22%                | 34.91%                | -84.95%                | 33.31%                | 23.69%                | 11.66%                | 38.05%                | 30.44%                | 1.31%                 | 15.06%                |

\* For the actuarial valuation with a measurement date as of June 30, 2022, the discount rate was reduced from 7.15% in 2021 to 6.90% for 2022.

For the actuarial valuation with a measurement date as of June 30, 2017, the discount rate was reduced from 7.65% in 2016 to 7.15% for 2017.

For the actuarial valuation with a measurement date as of June 30, 2015, an adjustment was made to the discount rate from 7.5% (net of administrative expenses) to 7.65% (without a reduction for pension plan administrative expenses). In 2014, amounts reported were based on the 7.5% discount rate.

\*\* The Schedule of Changes in the Net Pension Liability and Related Ratios – Miscellaneous Plan does not include any liability impact that may have resulted from plan changes which occurred after June 30, 2017. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Required Supplementary Information (Unaudited)  
Schedule of Proportionate Share of the Net Pension Liability/(Asset) and Related Ratios  
Safety Plan  
Last 10 Years

|  | 2024         | 2023         | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Plan's proportion of the net pension liability/(asset)   | 0.01352%     | 0.01002%     | -0.01879%    | 0.03367%     | 0.02643%     | 0.02155%     | 0.01293%     | 0.01011%     | 0.00153%     | 0.03091%     |
| Plan's proportionate share of the net pension liability/(asset)  | \$ 1,010,889 | \$ 688,869   | \$ (659,334) | \$ 2,243,089 | \$ 1,650,102 | \$ 1,264,254 | \$ 1,282,773 | \$ 874,556   | \$ 104,748   | \$ 1,923,489 |
| Plan's covered payroll   | \$ 3,536,897 | \$ 3,405,847 | \$ 3,524,300 | \$ 3,567,332 | \$ 3,166,737 | \$ 2,879,630 | \$ 2,966,000 | \$ 2,968,499 | \$ 3,068,536 | \$ 2,814,791 |
| Plan's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll         | 28.58%       | 20.23%       | -18.71%      | 62.88%       | 52.11%       | 43.90%       | 43.25%       | 29.46%       | 3.41%        | 68.34%       |
| Plan's proportionate share of the fiduciary net position as a percentage of the plan's total pension liability | 86.61%       | 86.61%       | 86.61%       | 75.10%       | 75.26%       | 73.31%       | 73.31%       | 74.06%       | 78.40%       | 81.42%       |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Required Supplementary Information (Unaudited)  
Schedule of Pension Contributions  
Last 10 Years

|  | 2023-24                | 2022-23               | 2021-22               | 2020-21               | 2019-20              | 2018-19               | 2017-18              | 2016-17              | 2015-16              | 2014-15              |
|--|------------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Miscellaneous Plan</b>  |                        |                       |                       |                       |                      |                       |                      |                      |                      |                      |
| Actuarially determined contribution                                  | \$ 3,036,433           | \$ 2,545,113          | \$ 2,930,265          | \$ 2,509,707          | \$ 2,368,628         | \$ 2,162,819          | \$ 2,108,634         | \$ 2,894,523         | \$ 3,113,392         | \$ 1,980,747         |
| Contributions in relation to the actuarially determined contribution | (20,499,371)           | (4,016,866)           | (6,173,344)           | (11,409,809)          | (2,368,628)          | (8,270,111)           | (2,108,634)          | (2,894,523)          | (3,113,392)          | (2,131,200)          |
| Contribution deficiency (excess)                                     | <u>\$ (17,462,938)</u> | <u>\$ (1,471,753)</u> | <u>\$ (3,243,079)</u> | <u>\$ (8,900,102)</u> | <u>\$ -</u>          | <u>\$ (6,107,292)</u> | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ (150,453)</u>  |
| Covered Payroll  | <u>\$ 28,539,372</u>   | <u>\$ 27,987,555</u>  | <u>\$ 25,938,613</u>  | <u>\$ 25,133,525</u>  | <u>\$ 24,443,913</u> | <u>\$ 23,460,475</u>  | <u>\$ 23,275,616</u> | <u>\$ 20,662,154</u> | <u>\$ 21,174,091</u> | <u>\$ 20,747,861</u> |
| Contributions as a Percentage of Covered Payroll                     | 71.83%                 | 14.35%                | 23.80%                | 45.40%                | 9.69%                | 35.25%                | 9.17%                | 14.71%               | 15.52%               | 11.25%               |
| <b>Safety Plan</b>   |                        |                       |                       |                       |                      |                       |                      |                      |                      |                      |
| Actuarially determined contribution                                  | \$ 867,641             | \$ 976,578            | \$ 929,811            | \$ 1,004,863          | \$ 935,911           | \$ 843,538            | \$ 750,371           | \$ 782,591           | \$ 735,732           | \$ 609,327           |
| Contributions in relation to the actuarially determined contribution | (867,641)              | (976,578)             | (929,811)             | (1,004,863)           | (935,911)            | (843,538)             | (750,371)            | (782,591)            | (735,732)            | (804,888)            |
| Contribution deficiency (excess)                                     | <u>\$ -</u>            | <u>\$ -</u>           | <u>\$ -</u>           | <u>\$ -</u>           | <u>\$ -</u>          | <u>\$ -</u>           | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ (195,561)</u>  |
| Covered Payroll  | <u>\$ 3,405,847</u>    | <u>\$ 3,536,897</u>   | <u>\$ 3,405,847</u>   | <u>\$ 3,524,300</u>   | <u>\$ 3,567,332</u>  | <u>\$ 3,166,737</u>   | <u>\$ 2,879,630</u>  | <u>\$ 2,966,000</u>  | <u>\$ 2,968,499</u>  | <u>\$ 3,068,536</u>  |
| Contributions as a Percentage of Covered Payroll                     | 25.48%                 | 27.61%                | 27.30%                | 28.51%                | 26.24%               | 26.64%                | 26.06%               | 26.39%               | 24.78%               | 24.04%               |

The actuarial methods and assumptions used to set the actuarially determined contributions are as follows:

|                            | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018  | June 30, 2017 | June 30, 2016 | June 30, 2015 | June 30, 2014 | June 30, 2013 |
|----------------------------|---------------|---------------|---------------|---------------|--|---------------|---------------|---------------|---------------|---------------|
| Valuation date             |               |               |               |               |  |               |               |               |               |               |
| Actuarial cost method      |               |               |               |               | Entry-age normal cost method   |               |               |               |               |               |
| Amortization method        |               |               |               |               | Level percent of payroll   |               |               |               |               |               |
| Asset valuation method     |               |               |               |               | Actuarial value of assets  |               |               |               |               |               |
|                            |               |               |               |               | 15 year smoothed market  |               |               |               |               |               |
| Inflation                  | 2.50%         | 2.30%         |               |               |  |               | 2.625%        |               |               |               |
| Payroll growth             | 2.75%         | 2.75%         |               |               |  |               | 2.875%        |               |               |               |
| Projected salary increases |               |               |               |               | 3.30% to 14.20% depending on age, service, and type of employment  |               |               |               |               |               |
| Investment rate of return  | 7.00%         | 6.90%         | 7.15%         | 7.25% *       | 7.15% *  | 7.50% *       | 7.50% *       | 7.50% *       | 7.65%         | 7.50% *       |
| Retirement age             |               |               |               |               | The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.   |               |               |               |               |               |
| Mortality                  |               |               |               |               | The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. |               |               |               |               |               |

\* Net of pension plans' investment and administrative expenses, including inflation.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Required Supplementary Information (Unaudited)

Schedule of Changes in the Net Other Postemployment Benefit (OPEB) Liability/(Asset) and Related Ratios  
Last 10 Years\*

|   | 2024                   | 2023                   | 2022                   | 2021                   | 2020                   | 2019                   | 2018                 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|
| Measurement Date  | June 30, 2023          | June 30, 2022          | June 30, 2021          | June 30, 2020          | June 30, 2019          | June 30, 2018          | June 30, 2017        |
| <b>Total OPEB Liability</b>   |                        |                        |                        |                        |                        |                        |                      |
| Service cost  | \$ 1,525,717           | \$ 1,564,236           | \$ 1,935,883           | \$ 1,879,498           | \$ 2,402,438           | \$ 2,288,036           | \$ 2,288,036         |
| Interest on the total OPEB liability                                    | 3,086,537              | 2,918,218              | 3,674,130              | 3,531,778              | 3,619,481              | 3,388,737              | 3,027,666            |
| Change in benefit terms   | -                      | -                      | -                      | -                      | -                      | -                      | 2,608,282            |
| Differences between expected and actual experience                      | (3,934,317)            | 37,499                 | (5,999,655)            | (19,106)               | (581,543)              | (10,696)               | (52,619)             |
| Changes in assumptions  | 897,560                | (1,309,866)            | (13,493,792)           | 22,310                 | (4,380,626)            | -                      | -                    |
| Benefit payments  | (2,414,559)            | (2,297,855)            | (2,256,228)            | (2,000,009)            | (1,997,093)            | (1,874,180)            | (1,833,461)          |
| Net change in total OPEB liability during measurement period            | (839,062)              | 912,232                | (16,139,662)           | 3,414,471              | (937,343)              | 3,791,897              | 6,037,904            |
| Total OPEB liability, beginning   | 46,155,946             | 45,243,714             | 61,383,376             | 57,968,905             | 58,906,248             | 55,114,351             | 49,076,447           |
| <b>Total OPEB liability, ending</b>                                     | <b>\$ 45,316,884</b>   | <b>\$ 46,155,946</b>   | <b>\$ 45,243,714</b>   | <b>\$ 61,383,376</b>   | <b>\$ 57,968,905</b>   | <b>\$ 58,906,248</b>   | <b>\$ 55,114,351</b> |
| <b>Plan Fiduciary Net Position</b>                                      |                        |                        |                        |                        |                        |                        |                      |
| Contributions from the employer   | \$ 2,414,559           | \$ 2,297,855           | \$ 2,256,228           | \$ 2,000,009           | \$ 1,997,093           | \$ 27,140,075          | \$ 15,537,181        |
| Net investment income   | 6,721,759              | (16,180,651)           | 26,074,172             | 3,238,341              | 5,312,263              | 5,843,976              | 4,466,500            |
| Administrative expenses   | (30,409)               | (30,619)               | (35,893)               | (44,777)               | (1,934)                | (41,304)               | (23,508)             |
| Benefit payments, including refunds of employee contributions           | (2,414,559)            | (2,297,855)            | (2,256,228)            | (2,000,009)            | (1,997,093)            | (1,874,180)            | (1,833,461)          |
| Net change in plan fiduciary net position                               | 6,691,350              | (16,211,270)           | 26,038,279             | 3,193,564              | 5,310,329              | 31,068,567             | 18,146,712           |
| Plan fiduciary net position, beginning                                  | 104,679,294            | 120,890,564            | 94,852,285             | 91,658,721             | 86,348,392             | 55,279,825             | 37,133,113           |
| <b>Plan fiduciary net position, ending</b>                              | <b>\$ 111,370,644</b>  | <b>\$ 104,679,294</b>  | <b>\$ 120,890,564</b>  | <b>\$ 94,852,285</b>   | <b>\$ 91,658,721</b>   | <b>\$ 86,348,392</b>   | <b>\$ 55,279,825</b> |
| <b>Plan net OPEB liability (asset), ending</b>                          | <b>\$ (66,053,760)</b> | <b>\$ (58,523,348)</b> | <b>\$ (75,646,850)</b> | <b>\$ (33,468,909)</b> | <b>\$ (33,689,816)</b> | <b>\$ (27,442,144)</b> | <b>\$ (165,474)</b>  |
| Plan fiduciary net position as a percentage of the total OPEB liability | 245.76%                | 226.79%                | 267.20%                | 154.52%                | 158.12%                | 146.59%                | 100.30%              |
| Covered-employee payroll  | \$ 29,533,002          | \$ 29,327,724          | \$ 28,992,882          | \$ 25,529,477          | \$ 24,554,789          | \$ 25,864,264          | \$ 24,365,498        |
| Plan net OPEB liability as a percentage of covered-employee payroll     | -223.66%               | -199.55%               | -260.92%               | -131.10%               | -137.20%               | -106.10%               | -0.68%               |

\* Fiscal year 2018 was the first year of implementation of GASB Statement No. 75, therefore only seven years of information is shown.

\*\* The Schedule of Proportionate Share of the Net Pension Liability and Related Ratios – Safety Plan does not include any liability impact that may have resulted from plan changes which occurred after June 30, 2018. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Required Supplementary Information (Unaudited)  
Schedule of OPEB Contributions  
Last 10 Years\*

|  | 2024                  | 2023                  | 2022                  | 2021                  | 2020              | 2019                   | 2018                   |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-------------------|------------------------|------------------------|
| Actuarially determined contribution                                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ 2,530,101      | \$ 2,414,189           | \$ 3,135,555           |
| Contributions in relation to the actuarially determined contribution | 2,414,559             | 2,138,873             | 2,020,971             | 2,256,228             | 2,000,009         | 27,140,075             | 31,695,210             |
| Contribution deficiency (excess)                                     | <u>\$ (2,414,559)</u> | <u>\$ (2,138,873)</u> | <u>\$ (2,020,971)</u> | <u>\$ (2,256,228)</u> | <u>\$ 530,092</u> | <u>\$ (24,725,886)</u> | <u>\$ (28,559,655)</u> |
| Covered-employee payroll   | \$ 28,539,372         | \$ 29,533,002         | \$ 29,327,724         | \$ 28,992,882         | \$ 25,529,477     | \$ 24,554,789          | \$ 25,864,264          |
| Contributions as a percentage of covered-employee payroll            | 8.46%                 | 7.24%                 | 6.89%                 | 7.78%                 | 7.83%             | 110.53%                | 122.54%                |

The actuarial methods and assumptions used to set the actuarially determined contributions are as follows:

|                             |   |
|-----------------------------|---|
| Valuation date              | June 30, 2023   |
| Measurement date            | June 30, 2023   |
| Actuarial cost method       | Entry-age actuarial cost method   |
| Amortization method         | Straight line   |
| Asset valuation method      | Fair value of assets  |
| Inflation                   | 2.50%   |
| Projected payroll growth    | 2.75%   |
| Investment rate of return   | 6.75%   |
| Health Care Cost Trend Rate | 4.00%   |
| Retirement Age              | Varies by age, service, and employee type. For non-safety personnel rates were based on the most recent CalPERS Public Agency Miscellaneous 2% @ 55 for actives hired before January 1, 2013 and 2% @ 62 for actives hired on or after January 1, 2013. |
| Mortality                   | Police-2021 CalPERS Mortality for Safety Employees<br>Miscellaneous-2021 CalPERS Mortality for Miscellaneous and Schools Employees  |

\* Fiscal year 2018 was the first year of implementation of GASB Statement No. 75, therefore, only seven years of information is shown.



# OTHER SUPPLEMENTARY INFORMATION

Federal, Other Housing and General Programs

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Federal Programs

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Other Housing Programs

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**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Combining Schedule of Fund Net Position  
Federal, Other Housing and General Programs  
June 30, 2024

|   | Federal<br>Programs | Other<br>Housing<br>Programs | General<br>Programs | Eliminations | Total          |
|---|---------------------|------------------------------|---------------------|--------------|----------------|
| <b>Assets:</b>  |                     |                              |                     |              |                |
| Current assets:   |                     |                              |                     |              |                |
| Unrestricted cash and cash equivalents                      | \$ 177,594,499      | \$ 121,950,485               | \$ 1,583,751        | \$ -         | \$ 301,128,735 |
| Accounts receivable, net:                                   |                     |                              |                     |              |                |
| U.S. Department of Housing and Urban Development            | -                   | 4,283,451                    | -                   | -            | 4,283,451      |
| Tenants   | 2,339,907           | 8,984,314                    | -                   | -            | 11,324,221     |
| Other   | 5,956,979           | 11,048,834                   | 226,545             | -            | 17,232,358     |
| Due from other funds  | 15,306,604          | 5,092,090                    | 1,591,651           | (21,990,345) | -              |
| Prepaid expenses  | 427,367             | 508,123                      | 999,504             | -            | 1,934,994      |
| Restricted cash and cash equivalents                        | 33,357,988          | 110,893,592                  | -                   | -            | 144,251,580    |
| Total current assets  | 234,983,344         | 262,760,889                  | 4,401,451           | (21,990,345) | 480,155,339    |
| Noncurrent assets:  |                     |                              |                     |              |                |
| Interest receivable   | 5,835,222           | 5,803,325                    | -                   | -            | 11,638,547     |
| Notes receivable from component units                       | 48,603,677          | 75,871,961                   | -                   | -            | 124,475,638    |
| Notes receivable from others                                | 28,810,050          | 12,696,589                   | -                   | -            | 41,506,639     |
| Net OPEB asset  | 35,490,567          | 7,980,915                    | 22,582,278          | -            | 66,053,760     |
| Other noncurrent assets                                     | 1,563,439           | 18,778,972                   | 1,600               | -            | 20,344,011     |
| Capital assets:   |                     |                              |                     |              |                |
| Nondepreciable  | 55,504,045          | 41,037,087                   | 3,945,542           | -            | 100,486,674    |
| Depreciable, net  | 11,627,828          | 41,879,476                   | 12,863,136          | -            | 66,370,440     |
| Total capital assets  | 67,131,873          | 82,916,563                   | 16,808,678          | -            | 166,857,114    |
| Total noncurrent assets                                     | 187,434,828         | 204,048,325                  | 39,392,556          | -            | 430,875,709    |
| Total assets  | 422,418,172         | 466,809,214                  | 43,794,007          | (21,990,345) | 911,031,048    |
| Deferred outflows of resources:                             |                     |                              |                     |              |                |
| Pension related items                                       | 17,173,821          | 4,416,644                    | 13,895,660          | -            | 35,486,125     |
| OPEB related items  | 5,106,624           | 1,022,090                    | 3,971,119           | -            | 10,099,833     |
| Total deferred outflows of resources                        | 22,280,445          | 5,438,734                    | 17,866,779          | -            | 45,585,958     |
| <b>Liabilities:</b>   |                     |                              |                     |              |                |
| Current liabilities:  |                     |                              |                     |              |                |
| Accounts payable  | 584,787             | 3,808,869                    | 1,430,224           | -            | 5,823,880      |
| Accrued payroll   | 1,465,949           | 1,184                        | 1,097,066           | -            | 2,564,199      |
| Due to the U.S. Department of Housing and Urban Development | 921,012             | 291,886                      | -                   | -            | 1,212,898      |
| Due to other funds  | 2,255,868           | 19,608,038                   | 126,439             | (21,990,345) | -              |
| Unearned revenues   | 52,387,569          | 20,905,943                   | 984                 | -            | 73,294,496     |
| Other accrued liabilities                                   | 4,118,943           | 1,449,421                    | -                   | -            | 5,568,364      |
| Tenant security deposits                                    | 256,059             | 513,322                      | -                   | -            | 769,381        |
| Current portion of compensated absences                     | 137,050             | 18,180                       | 120,458             | -            | 275,688        |
| Total current liabilities                                   | 62,127,237          | 46,596,843                   | 2,775,171           | (21,990,345) | 89,508,906     |
| Noncurrent liabilities:                                     |                     |                              |                     |              |                |
| Compensated absences, net of current portion                | 841,819             | 111,694                      | 740,001             | -            | 1,693,514      |
| Net pension liability                                       | 5,663,575           | 1,781,198                    | 5,383,214           | -            | 12,827,987     |
| Family self sufficiency deposits                            | 977,512             | -                            | -                   | -            | 977,512        |
| Total noncurrent liabilities                                | 7,482,906           | 1,892,892                    | 6,123,215           | -            | 15,499,013     |
| Total liabilities   | 69,610,143          | 48,489,735                   | 8,898,386           | (21,990,345) | 105,007,919    |
| Deferred inflows of resources:                              |                     |                              |                     |              |                |
| Pension related items                                       | 1,024,064           | 80,001                       | -                   | -            | 1,104,065      |
| OPEB related items  | 8,168,542           | 2,044,103                    | 6,849,821           | -            | 17,062,466     |
| Total deferred inflows of resources                         | 9,192,606           | 2,124,104                    | 6,849,821           | -            | 18,166,531     |
| <b>Net position:</b>  |                     |                              |                     |              |                |
| Net investment in capital assets                            | 67,131,873          | 82,916,563                   | 16,808,678          | -            | 166,857,114    |
| Restricted for  |                     |                              |                     |              |                |
| Housing programs  | 32,124,417          | 110,088,385                  | -                   | -            | 142,212,802    |
| Net OPEB assets   | 35,490,567          | 7,980,915                    | 22,582,278          | -            | 66,053,760     |
| Unrestricted  | 231,149,011         | 220,648,246                  | 6,521,623           | -            | 458,318,880    |
| Total net position  | \$ 365,895,868      | \$ 421,634,109               | \$ 45,912,579       | \$ -         | \$ 833,442,556 |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Combining Schedule of Revenues, Expenses and Changes in Fund Net Position  
Federal, Other Housing and General Programs  
For the Year Ended June 30, 2024

|   | Federal<br>Programs | Other<br>Housing<br>Programs | General<br>Programs | Eliminations  | Total          |
|---|---------------------|------------------------------|---------------------|---------------|----------------|
| Operating revenues:                         |                     |                              |                     |               |                |
| Rental income                               | \$ 5,099,692        | \$ 33,317,712                | \$ -                | \$ -          | \$ 38,417,404  |
| Housing assistance payment revenues         | 324,442,886         | 848,255,741                  | -                   | -             | 1,172,698,627  |
| Other operating grants                      | 6,626,468           | -                            | -                   | -             | 6,626,468      |
| Miscellaneous and other revenues            | 4,358,564           | 27,467,583                   | 29,775,493          | (30,438,162)  | 31,163,478     |
| Total operating revenues                    | 340,527,610         | 909,041,036                  | 29,775,493          | (30,438,162)  | 1,248,905,977  |
| Operating expenses:                         |                     |                              |                     |               |                |
| Housing assistance payments                 | 272,135,524         | 848,255,741                  | 635,150             | -             | 1,121,026,415  |
| Administrative                              | 21,701,975          | 2,288,674                    | 23,713,831          | -             | 47,704,480     |
| Tenant services                             | 1,082,231           | 245,461                      | 10,581              | -             | 1,338,273      |
| Utilities                                   | 1,718,334           | 3,168,027                    | 304,820             | -             | 5,191,181      |
| Maintenance and operations                  | 7,111,271           | 13,352,265                   | 4,046,151           | -             | 24,509,687     |
| General expenses                            | 11,566,329          | 18,472,098                   | 694,119             | -             | 30,732,546     |
| Depreciation and amortization               | 1,489,227           | 6,885,510                    | 2,244,106           | -             | 10,618,843     |
| Overhead allocation                         | 20,710,589          | 9,727,573                    | -                   | (30,438,162)  | -              |
| Total operating expenses                    | 337,515,480         | 902,395,349                  | 31,648,758          | (30,438,162)  | 1,241,121,425  |
| Operating income (loss)                     | 3,012,130           | 6,645,687                    | (1,873,265)         | -             | 7,784,552      |
| Nonoperating revenues (expenses):           |                     |                              |                     |               |                |
| Investment income                           | 9,444,358           | 10,178,415                   | -                   | -             | 19,622,773     |
| Other nonoperating revenues                 | 7,253,392           | -                            | 278,955             | -             | 7,532,347      |
| Other nonoperating expenses                 | -                   | (467,155)                    | -                   | -             | (467,155)      |
| Total nonoperating revenues (expenses), net | 16,697,750          | 9,711,260                    | 278,955             | -             | 26,687,965     |
| Income before transfers                     | 19,709,880          | 16,356,947                   | (1,594,310)         | -             | 34,472,517     |
| Transfers in                                | 529,043,384         | 39,163                       | 20,087,255          | (549,169,802) | -              |
| Transfers out                               | (533,544,943)       | (9,445,936)                  | (6,178,923)         | 549,169,802   | -              |
| Change in net position                      | 15,208,321          | 6,950,174                    | 12,314,022          | -             | 34,472,517     |
| Net position, beginning of year             | 350,687,547         | 414,683,935                  | 33,598,557          | -             | 798,970,039    |
| Net position, end of year                   | \$ 365,895,868      | \$ 421,634,109               | \$ 45,912,579       | \$ -          | \$ 833,442,556 |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Combining Schedule of Cash Flows  
Federal, Other Housing and General Programs  
For the Year Ended June 30, 2024

|  | Federal<br>Programs | Other<br>Housing<br>Programs | General<br>Programs | Eliminations  | Total           |
|--|---------------------|------------------------------|---------------------|---------------|-----------------|
| Cash flows from operating activities:  |                     |                              |                     |               |                 |
| Receipts from tenants  | \$ 4,927,788        | \$ 29,148,141                | \$ 3,445            | \$ -          | \$ 34,079,374   |
| Receipts from customers and others   | -                   | 34,891,518                   | 30,810,909          | (30,438,162)  | 35,264,265      |
| Receipts from housing assistance programs                                    | 340,096,380         | 865,651,803                  | -                   | -             | 1,205,748,183   |
| Payments for interfund services used   | (20,710,589)        | (9,727,573)                  | -                   | 30,438,162    | -               |
| Payments to suppliers for goods and services                                 | (22,551,783)        | (34,700,647)                 | (4,708,009)         | -             | (61,960,439)    |
| Housing assistance payments on behalf of tenants                             | (271,298,817)       | (848,123,754)                | (635,150)           | -             | (1,120,057,721) |
| Payments to employees for services   | (33,522,217)        | (4,789,944)                  | (32,137,480)        | -             | (70,449,641)    |
| Net cash provided by (used in) operating activities                          | 3,567,230           | 32,349,544                   | (6,666,285)         | -             | 29,250,489      |
| Cash flows from noncapital financing activities:                             |                     |                              |                     |               |                 |
| Transfers in   | 529,043,384         | 39,163                       | 20,087,255          | (549,169,802) | -               |
| Transfers out  | (533,544,943)       | (9,445,936)                  | (6,178,923)         | 549,169,802   | -               |
| Other operating grants received  | 12,551,610          | -                            | 278,955             | -             | 12,830,565      |
| Net disbursement of loans to other programs                                  | -                   | 1,509,695                    | -                   | (1,509,695)   | -               |
| Loans to other programs  | (673,791)           | -                            | (835,904)           | 1,509,695     | -               |
| Net receipts (disbursements) of loans to related parties and component units | (11,503,361)        | 113,743                      | -                   | -             | (11,389,618)    |
| Net cash provided by (used in) noncapital financing activities               | (4,127,101)         | (7,783,335)                  | 13,351,383          | -             | 1,440,947       |
| Cash flows from capital and related financing activities:                    |                     |                              |                     |               |                 |
| Acquisition of capital assets  | (6,384,496)         | (9,232,405)                  | (4,745,491)         | -             | (20,362,392)    |
| Payments for SBITA   | -                   | -                            | (443,591)           | -             | (443,591)       |
| Net cash used in capital and related financing activities                    | (6,384,496)         | (9,232,405)                  | (5,189,082)         | -             | (20,805,983)    |
| Cash flows from investing activities:  |                     |                              |                     |               |                 |
| Interest received  | 9,222,400           | 9,155,928                    | -                   | -             | 18,378,328      |
| Net change in cash and cash equivalents                                      | 2,278,033           | 24,489,732                   | 1,496,016           | -             | 28,263,781      |
| Cash and cash equivalents, beginning of year                                 | 208,674,454         | 208,354,345                  | 87,735              | -             | 417,116,534     |
| Cash and cash equivalents, end of year                                       | \$ 210,952,487      | \$ 232,844,077               | \$ 1,583,751        | \$ -          | \$ 445,380,315  |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Combining Schedule of Cash Flows  
Federal, Other Housing and General Programs  
For the Year Ended June 30, 2024

|   | Federal<br>Programs   | Other<br>Housing<br>Programs | General<br>Programs   | Eliminations | Total                 |
|---|-----------------------|------------------------------|-----------------------|--------------|-----------------------|
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:       |                       |                              |                       |              |                       |
| Operating income (loss)   | \$ 3,012,130          | \$ 6,645,687                 | \$ (1,873,265)        | \$ -         | \$ 7,784,552          |
| Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities: |                       |                              |                       |              |                       |
| Depreciation and amortization   | 1,489,227             | 6,885,510                    | 2,244,106             | -            | 10,618,843            |
| Other revenues  | (5,298,218)           | -                            | -                     | -            | (5,298,218)           |
| Other expenses  | -                     | (467,155)                    | -                     | -            | (467,155)             |
| Adjustments to capital assets   | -                     | 802,042                      | 160,757               | -            | 962,799               |
| Change in net pension and OPEB assets and related deferred outflows and inflows of resources            | (11,482,377)          | (2,379,023)                  | (8,503,597)           | -            | (22,364,997)          |
| Decrease (increase) in:   |                       |                              |                       |              |                       |
| Receivables   | 567,369               | 805,018                      | 1,038,861             | -            | 2,411,248             |
| Prepaid expenses  | 105,076               | (45,866)                     | (279,022)             | -            | (219,812)             |
| Other noncurrent assets   | 1                     | (993,531)                    | -                     | -            | (993,530)             |
| Increase (decrease) in:   |                       |                              |                       |              |                       |
| Accounts payable  | (596,258)             | 753,290                      | 627,243               | -            | 784,275               |
| Accrued payroll   | (29,392)              | 621                          | 200,082               | -            | 171,311               |
| Due to the U.S. Department of Housing and Urban Development   | 836,707               | 131,987                      | -                     | -            | 968,694               |
| Tenant security and family self sufficiency deposits  | 200,381               | 30,609                       | -                     | -            | 230,990               |
| Unearned revenues   | 15,653,494            | 19,814,799                   | -                     | -            | 35,468,293            |
| Compensated absences  | (308,473)             | (122,868)                    | (120,134)             | -            | (551,475)             |
| Other liabilities   | (582,437)             | 488,424                      | (161,316)             | -            | (255,329)             |
| Net cash provided by (used in) operating activities   | <u>\$ 3,567,230</u>   | <u>\$ 32,349,544</u>         | <u>\$ (6,666,285)</u> | <u>\$ -</u>  | <u>\$ 29,250,489</u>  |
| Cash and cash equivalents:  |                       |                              |                       |              |                       |
| Unrestricted cash and cash equivalents  | \$ 177,594,499        | \$ 121,950,485               | \$ 1,583,751          | \$ -         | \$ 301,128,735        |
| Restricted cash and cash equivalents  | 33,357,988            | 110,893,592                  | -                     | -            | 144,251,580           |
| Total cash and cash equivalents   | <u>\$ 210,952,487</u> | <u>\$ 232,844,077</u>        | <u>\$ 1,583,751</u>   | <u>\$ -</u>  | <u>\$ 445,380,315</u> |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Combining Schedule of Fund Net Position  
Federal Programs  
June 30, 2024

|   | Section 8                      |   |                               |                      |                        |               |                               |                         |                |
|---|--------------------------------|---|-------------------------------|----------------------|------------------------|---------------|-------------------------------|-------------------------|----------------|
|   | Low Rent<br>Housing<br>Program | Substantial<br>and Moderate<br>Rehabilitation | Housing<br>Choice<br>Vouchers | Moving<br>To<br>Work | Mainstream<br>Vouchers | HOPE VI       | Family<br>Self<br>Sufficiency | Shelter<br>Plus<br>Care | Total          |
| <b>Assets:</b>  |                                |   |                               |                      |                        |               |                               |                         |                |
| Current assets:   |                                |   |                               |                      |                        |               |                               |                         |                |
| Unrestricted cash and cash equivalents                      | \$ 7,895,485                   | \$ 1,145,835                                  | \$ 153,629,262                | \$ 33,931            | \$ 918,594             | \$ 13,103,936 | \$ 867,443                    | \$ 13                   | \$ 177,594,499 |
| Accounts receivable, net:                                   |                                |   |                               |                      |                        |               |                               |                         |                |
| Tenants   | 2,331,840                      | -   | -                             | -                    | 8,067                  | -             | -                             | -                       | 2,339,907      |
| Other   | 461,832                        | -   | 2,980,377                     | 576,599              | -                      | -             | 127,306                       | 1,810,865               | 5,956,979      |
| Due from other funds  | 9,714                          | -   | 221,509                       | 15,072,612           | 2,769                  | -             | -                             | -                       | 15,306,604     |
| Prepaid expenses  | 276,648                        | -   | 52,678                        | 98,041               | -                      | -             | -                             | -                       | 427,367        |
| Restricted cash and cash equivalents                        | 2,165,183                      | -   | 3,138,081                     | 28,054,724           | -                      | -             | -                             | -                       | 33,357,988     |
| Total current assets  | 13,140,702                     | 1,145,835                                     | 160,021,907                   | 43,835,907           | 929,430                | 13,103,936    | 994,749                       | 1,810,878               | 234,983,344    |
| Noncurrent assets:  |                                |   |                               |                      |                        |               |                               |                         |                |
| Interest receivable   | 3,470,621                      | -   | -                             | 333,487              | -                      | 2,031,114     | -                             | -                       | 5,835,222      |
| Notes receivable from component units                       | 13,438,861                     | -   | -                             | 1,334,516            | -                      | 33,830,300    | -                             | -                       | 48,603,677     |
| Notes receivable from others                                | -                              | -   | -                             | 28,810,050           | -                      | -             | -                             | -                       | 28,810,050     |
| Net OPEB asset  | 5,814,248                      | -   | 20,154,546                    | 9,521,773            | -                      | -             | -                             | -                       | 35,490,567     |
| Other noncurrent assets                                     | -                              | -   | -                             | 1,563,439            | -                      | -             | -                             | -                       | 1,563,439      |
| Capital assets:   |                                |   |                               |                      |                        |               |                               |                         |                |
| Nondepreciable  | 35,180,292                     | -   | -                             | 20,323,753           | -                      | -             | -                             | -                       | 55,504,045     |
| Depreciable, net  | 8,290,099                      | -   | 1,491,177                     | 1,846,552            | -                      | -             | -                             | -                       | 11,627,828     |
| Total capital assets  | 43,470,391                     | -   | 1,491,177                     | 22,170,305           | -                      | -             | -                             | -                       | 67,131,873     |
| Total noncurrent assets                                     | 66,194,121                     | -   | 21,645,723                    | 63,733,570           | -                      | 35,861,414    | -                             | -                       | 187,434,828    |
| Total assets  | 79,334,823                     | 1,145,835                                     | 181,667,630                   | 107,569,477          | 929,430                | 48,965,350    | 994,749                       | 1,810,878               | 422,418,172    |
| Deferred outflows of resources:                             |                                |   |                               |                      |                        |               |                               |                         |                |
| Pension related items                                       | 2,320,258                      | -   | 10,725,932                    | 4,127,631            | -                      | -             | -                             | -                       | 17,173,821     |
| OPEB related items  | 1,086,481                      | -   | 2,992,869                     | 1,027,274            | -                      | -             | -                             | -                       | 5,106,624      |
| Total deferred outflows of resources                        | 3,406,739                      | -   | 13,718,801                    | 5,154,905            | -                      | -             | -                             | -                       | 22,280,445     |
| <b>Liabilities:</b>   |                                |   |                               |                      |                        |               |                               |                         |                |
| Current liabilities:  |                                |   |                               |                      |                        |               |                               |                         |                |
| Accounts payable  | 315,806                        | 45,078  | -                             | 104,736              | 84,291                 | -             | 34,876                        | -                       | 584,787        |
| Accrued payroll   | 164,210                        | -   | 487,820                       | 768,336              | -                      | -             | 45,583                        | -                       | 1,465,949      |
| Due to the U.S. Department of Housing and Urban Development | -                              | 68,506  | 149,877                       | 702,629              | -                      | -             | -                             | -                       | 921,012        |
| Due to other funds  | -                              | -   | 155,409                       | 1,900,288            | 3,178                  | 42,125        | -                             | 154,868                 | 2,255,868      |
| Unearned revenues   | 139,733                        | -   | 52,004,323                    | 3,864                | 239,649                | -             | -                             | -                       | 52,387,569     |
| Other accrued liabilities                                   | 382,283                        | -   | 2,167,876                     | 1,566,107            | 2,677                  | -             | -                             | -                       | 4,118,943      |
| Tenant security deposits                                    | 256,059                        | -   | -                             | -                    | -                      | -             | -                             | -                       | 256,059        |
| Current portion of compensated absences                     | 13,185                         | -   | 71,899                        | 44,547               | -                      | -             | 7,419                         | -                       | 137,050        |
| Total current liabilities                                   | 1,271,276                      | 113,584                                       | 55,037,204                    | 5,090,507            | 329,795                | 42,125        | 87,878                        | 154,868                 | 62,127,237     |
| Noncurrent liabilities:                                     |                                |   |                               |                      |                        |               |                               |                         |                |
| Compensated absence, net of current portion                 | 80,997                         | -   | 441,676                       | 273,650              | -                      | -             | 45,496                        | -                       | 841,819        |
| Net pension liability                                       | 954,436                        | -   | 3,317,308                     | 1,391,831            | -                      | -             | -                             | -                       | 5,663,575      |
| Family self sufficiency deposits                            | 86,738                         | -   | 890,774                       | -                    | -                      | -             | -                             | -                       | 977,512        |
| Total noncurrent liabilities                                | 1,122,171                      | -   | 4,649,758                     | 1,665,481            | -                      | -             | 45,496                        | -                       | 7,482,906      |
| Total liabilities   | 2,393,447                      | 113,584                                       | 59,686,962                    | 6,755,988            | 329,795                | 42,125        | 133,374                       | 154,868                 | 69,610,143     |
| Deferred inflows of resources:                              |                                |   |                               |                      |                        |               |                               |                         |                |
| Pension related items                                       | -                              | -   | 476,561                       | 521,069              | 26,434                 | -             | -                             | -                       | 1,024,064      |
| OPEB related items  | 1,226,799                      | -   | 4,448,860                     | 2,492,883            | -                      | -             | -                             | -                       | 8,168,542      |
| Total deferred inflows of resources                         | 1,226,799                      | -   | 4,925,421                     | 3,013,952            | 26,434                 | -             | -                             | -                       | 9,192,606      |
| <b>Net position:</b>  |                                |   |                               |                      |                        |               |                               |                         |                |
| Net investment in capital assets                            | 43,470,391                     | -   | 1,491,177                     | 22,170,305           | -                      | -             | -                             | -                       | 67,131,873     |
| Restricted for  |                                |   |                               |                      |                        |               |                               |                         |                |
| Housing programs  | 1,822,386                      | -   | 2,247,307                     | 28,054,724           | -                      | -             | -                             | -                       | 32,124,417     |
| Net OPEB assets   | 5,814,248                      | -   | 20,154,546                    | 9,521,773            | -                      | -             | -                             | -                       | 35,490,567     |
| Unrestricted  | 28,014,291                     | 1,032,251                                     | 106,881,018                   | 43,207,640           | 573,201                | 48,923,225    | 861,375                       | 1,656,010               | 231,149,011    |
| Total net position  | \$ 79,121,316                  | \$ 1,032,251                                  | \$ 130,774,048                | \$ 102,954,442       | \$ 573,201             | \$ 48,923,225 | \$ 861,375                    | \$ 1,656,010            | \$ 365,895,868 |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Combining Schedule of Revenues, Expenses and Changes in Fund Net Position  
Federal Programs  
For the Year Ended June 30, 2024

|   | Section 8                      |   |                               |                      |                        | HOPE VI       | Family<br>Self<br>Sufficiency | Shelter<br>Plus<br>Care | Total          |
|---|--------------------------------|---|-------------------------------|----------------------|------------------------|---------------|-------------------------------|-------------------------|----------------|
|   | Low Rent<br>Housing<br>Program | Substantial<br>and Moderate<br>Rehabilitation | Housing<br>Choice<br>Vouchers | Moving<br>To<br>Work | Mainstream<br>Vouchers |               |                               |                         |                |
| Operating revenues:                         |                                |   |                               |                      |                        |               |                               |                         |                |
| Rental income                               | \$ 5,099,692                   | \$ -  | \$ -                          | \$ -                 | \$ -                   | \$ -          | \$ -                          | \$ -                    | \$ 5,099,692   |
| Housing assistance payment revenues         | -                              | 886,194                                       | 19,391,475                    | 300,256,701          | 3,908,516              | -             | -                             | -                       | 324,442,886    |
| Other operating grants                      | -                              | -   | -                             | -                    | -                      | -             | 1,115,888                     | 5,510,580               | 6,626,468      |
| Miscellaneous and other revenues            | 128,533                        | -   | 2,498,549                     | 1,720,346            | 11,136                 | -             | -                             | -                       | 4,358,564      |
| Total operating revenues                    | 5,228,225                      | 886,194                                       | 21,890,024                    | 301,977,047          | 3,919,652              | -             | 1,115,888                     | 5,510,580               | 340,527,610    |
| Operating expenses:                         |                                |   |                               |                      |                        |               |                               |                         |                |
| Housing assistance payments                 | 37,997                         | 736,928                                       | 262,030,765                   | -                    | 4,095,379              | -             | -                             | 5,234,455               | 272,135,524    |
| Administrative                              | 1,948,066                      | -   | 15,514,653                    | 3,123,368            | -                      | -             | 1,115,888                     | -                       | 21,701,975     |
| Tenant services                             | 433,968                        | -   | 626,060                       | 22,203               | -                      | -             | -                             | -                       | 1,082,231      |
| Utilities                                   | 1,617,563                      | -   | 100,771                       | -                    | -                      | -             | -                             | -                       | 1,718,334      |
| Maintenance and operations                  | 6,833,882                      | -   | 262,093                       | 15,296               | -                      | -             | -                             | -                       | 7,111,271      |
| General expenses                            | 3,465,863                      | -   | 167,694                       | 7,932,772            | -                      | -             | -                             | -                       | 11,566,329     |
| Depreciation and amortization               | 989,250                        | -   | 91,116                        | 408,861              | -                      | -             | -                             | -                       | 1,489,227      |
| Overhead allocation                         | 7,433,682                      | 127,411                                       | 8,412,044                     | 4,032,974            | 354,719                | -             | -                             | 349,759                 | 20,710,589     |
| Total operating expenses                    | 22,760,271                     | 864,339                                       | 287,205,196                   | 15,535,474           | 4,450,098              | -             | 1,115,888                     | 5,584,214               | 337,515,480    |
| Operating income (loss)                     | (17,532,046)                   | 21,855  | (265,315,172)                 | 286,441,573          | (530,446)              | -             | -                             | (73,634)                | 3,012,130      |
| Nonoperating revenues (expenses):           |                                |   |                               |                      |                        |               |                               |                         |                |
| Investment income                           | 171,354                        | -   | 22,855                        | 9,066,244            | -                      | 183,905       | -                             | -                       | 9,444,358      |
| Other nonoperating revenue                  | 110,640                        | -   | 837,494                       | 6,305,258            | -                      | -             | -                             | -                       | 7,253,392      |
| Total nonoperating revenues (expenses), net | 281,994                        | -   | 860,349                       | 15,371,502           | -                      | 183,905       | -                             | -                       | 16,697,750     |
| Income (loss) before transfers              | (17,250,052)                   | 21,855  | (264,454,823)                 | 301,813,075          | (530,446)              | 183,905       | -                             | (73,634)                | 19,709,880     |
| Transfers in                                | 23,453,411                     | -   | 425,434,658                   | 76,478,481           | 1,035,845              | -             | 911,345                       | 1,729,644               | 529,043,384    |
| Transfers out                               | (170,213)                      | -   | (52,413,470)                  | (480,930,771)        | -                      | (30,489)      | -                             | -                       | (533,544,943)  |
| Change in net position                      | 6,033,146                      | 21,855  | 108,566,365                   | (102,639,215)        | 505,399                | 153,416       | 911,345                       | 1,656,010               | 15,208,321     |
| Net position, beginning of year             | 73,088,170                     | 1,010,396                                     | 22,207,683                    | 205,593,657          | 67,802                 | 48,769,809    | (49,970)                      | -                       | 350,687,547    |
| Net position, end of year                   | \$ 79,121,316                  | \$ 1,032,251                                  | \$ 130,774,048                | \$ 102,954,442       | \$ 573,201             | \$ 48,923,225 | \$ 861,375                    | \$ 1,656,010            | \$ 365,895,868 |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Combining Schedule of Net Position  
Other Housing Programs  
June 30, 2024

|   | OHA Other             | CAHI                  | OAHPI                 | Total                 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Assets:</b>  |                       |                       |                       |                       |
| Current assets:   |                       |                       |                       |                       |
| Unrestricted cash and cash equivalents                      | \$ 23,404,472         | \$ 93,422,846         | \$ 5,123,167          | \$ 121,950,485        |
| Accounts receivable, net:                                   |                       |                       |                       |                       |
| U.S. Department of Housing and Urban Development            | -                     | 4,283,451             | -                     | 4,283,451             |
| Tenants   | -                     | -                     | 8,984,314             | 8,984,314             |
| Other   | 83,237                | -                     | 10,965,597            | 11,048,834            |
| Due from other funds  | 4,400,028             | 108,906               | 583,156               | 5,092,090             |
| Prepaid expenses  | 17,943                | 121,125               | 369,055               | 508,123               |
| Restricted cash and cash equivalents                        | 100,657               | 18,014,976            | 92,777,959            | 110,893,592           |
| <b>Total current assets</b>                                 | <b>28,006,337</b>     | <b>115,951,304</b>    | <b>118,803,248</b>    | <b>262,760,889</b>    |
| Noncurrent assets:  |                       |                       |                       |                       |
| Interest receivable   | 5,803,325             | -                     | -                     | 5,803,325             |
| Notes receivable from component units                       | 75,871,961            | -                     | -                     | 75,871,961            |
| Notes receivable from others                                | 12,696,589            | -                     | -                     | 12,696,589            |
| Net OPEB asset  | -                     | 259,608               | 7,721,307             | 7,980,915             |
| Other noncurrent assets                                     | 18,778,972            | -                     | -                     | 18,778,972            |
| Capital assets:   |                       |                       |                       |                       |
| Nondepreciable  | 31,942,440            | 4,798,646             | 4,296,001             | 41,037,087            |
| Depreciable, net  | 1,549,937             | 7,150,531             | 33,179,008            | 41,879,476            |
| <b>Total capital assets</b>                                 | <b>33,492,377</b>     | <b>11,949,177</b>     | <b>37,475,009</b>     | <b>82,916,563</b>     |
| <b>Total noncurrent assets</b>                              | <b>146,643,224</b>    | <b>12,208,785</b>     | <b>45,196,316</b>     | <b>204,048,325</b>    |
| <b>Total assets</b>   | <b>174,649,561</b>    | <b>128,160,089</b>    | <b>163,999,564</b>    | <b>466,809,214</b>    |
| <b>Deferred outflows of resources:</b>                      |                       |                       |                       |                       |
| Pension related items                                       | -                     | 135,857               | 4,280,787             | 4,416,644             |
| OPEB related items  | -                     | 96,570                | 925,520               | 1,022,090             |
| <b>Total deferred outflows of resources</b>                 | <b>-</b>              | <b>232,427</b>        | <b>5,206,307</b>      | <b>5,438,734</b>      |
| <b>Liabilities:</b>   |                       |                       |                       |                       |
| Current liabilities:  |                       |                       |                       |                       |
| Accounts payable  | 122                   | 2,779,664             | 1,029,083             | 3,808,869             |
| Accrued payroll   | -                     | 35                    | 1,149                 | 1,184                 |
| Due to the U.S. Department of Housing and Urban Development | -                     | 291,886               | -                     | 291,886               |
| Due to other funds  | 14,832,165            | 270,230               | 4,505,643             | 19,608,038            |
| Unearned revenues   | 625,000               | 17,480,649            | 2,800,294             | 20,905,943            |
| Other accrued liabilities                                   | 28,508                | 48,448                | 1,372,465             | 1,449,421             |
| Tenant security deposits                                    | -                     | -                     | 513,322               | 513,322               |
| Current portion of compensated absences                     | -                     | -                     | 18,180                | 18,180                |
| <b>Total current liabilities</b>                            | <b>15,485,795</b>     | <b>20,870,912</b>     | <b>10,240,136</b>     | <b>46,596,843</b>     |
| Noncurrent liabilities:                                     |                       |                       |                       |                       |
| Compensated absences, net of current portion                | -                     | -                     | 111,694               | 111,694               |
| Net pension liability                                       | -                     | 51,121                | 1,730,077             | 1,781,198             |
| <b>Total noncurrent liabilities</b>                         | <b>-</b>              | <b>51,121</b>         | <b>1,841,771</b>      | <b>1,892,892</b>      |
| <b>Total liabilities</b>                                    | <b>15,485,795</b>     | <b>20,922,033</b>     | <b>12,081,907</b>     | <b>48,489,735</b>     |
| <b>Deferred inflows of resources:</b>                       |                       |                       |                       |                       |
| Pension related items                                       | -                     | 38,872                | 41,129                | 80,001                |
| OPEB related items  | -                     | 61,224                | 1,982,879             | 2,044,103             |
| <b>Total deferred inflows of resources</b>                  | <b>-</b>              | <b>100,096</b>        | <b>2,024,008</b>      | <b>2,124,104</b>      |
| <b>Net position:</b>  |                       |                       |                       |                       |
| Net investment in capital assets                            | 33,492,377            | 11,949,177            | 37,475,009            | 82,916,563            |
| Restricted for  |                       |                       |                       |                       |
| Housing programs  | 100,657               | 17,723,090            | 92,264,638            | 110,088,385           |
| Net OPEB assets   | -                     | 259,608               | 7,721,307             | 7,980,915             |
| Unrestricted  | 125,570,732           | 77,438,512            | 17,639,002            | 220,648,246           |
| <b>Total net position</b>                                   | <b>\$ 159,163,766</b> | <b>\$ 107,370,387</b> | <b>\$ 155,099,956</b> | <b>\$ 421,634,109</b> |



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Combining Schedule of Revenues, Expenses and Changes in Fund Net Position  
Other Housing Programs  
For the Year Ended June 30, 2024

|   | OHA Other      | CAHI           | OAHPI          | Total          |
|---|----------------|----------------|----------------|----------------|
| Operating revenues:                         |                |                |                |                |
| Rental income                               | \$ -           | \$ -           | \$ 33,317,712  | \$ 33,317,712  |
| Housing assistance payment revenues         | -              | 848,255,741    | -              | 848,255,741    |
| Miscellaneous and other revenues            | 1,609,547      | 25,824,688     | 33,348         | 27,467,583     |
| Total operating revenues                    | 1,609,547      | 874,080,429    | 33,351,060     | 909,041,036    |
| Operating expenses:                         |                |                |                |                |
| Housing assistance payments                 | -              | 848,255,741    | -              | 848,255,741    |
| Administrative                              | 414,002        | 521,471        | 1,353,201      | 2,288,674      |
| Tenant services                             | 13,400         | -              | 232,061        | 245,461        |
| Utilities                                   | 6,095          | 5,476          | 3,156,456      | 3,168,027      |
| Maintenance and operations                  | 6,541          | 117,061        | 13,228,663     | 13,352,265     |
| General expenses                            | 24,759         | 17,001,689     | 1,445,650      | 18,472,098     |
| Depreciation and amortization               | 335,841        | 438,219        | 6,111,450      | 6,885,510      |
| Overhead allocation                         | -              | 86,383         | 9,641,190      | 9,727,573      |
| Total operating expenses                    | 800,638        | 866,426,040    | 35,168,671     | 902,395,349    |
| Operating income                            | 808,909        | 7,654,389      | (1,817,611)    | 6,645,687      |
| Nonoperating revenues (expenses):           |                |                |                |                |
| Investment income                           | 1,463,060      | 4,399,946      | 4,315,409      | 10,178,415     |
| Other nonoperating expenses                 | (277,524)      | (189,631)      | -              | (467,155)      |
| Total nonoperating revenues (expenses), net | 1,185,536      | 4,210,315      | 4,315,409      | 9,711,260      |
| Income before transfers                     | 1,994,445      | 11,864,704     | 2,497,798      | 16,356,947     |
| Transfers in                                | 39,163         | -              | -              | 39,163         |
| Transfers out                               | (9,445,936)    | -              | -              | (9,445,936)    |
| Change in net position                      | (7,412,328)    | 11,864,704     | 2,497,798      | 6,950,174      |
| Net position, beginning of year             | 166,576,094    | 95,505,683     | 152,602,158    | 414,683,935    |
| Net position, end of year                   | \$ 159,163,766 | \$ 107,370,387 | \$ 155,099,956 | \$ 421,634,109 |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Supplementary Information

Below is the Schedule of Annual Contribution Contracts for Capital Fund Program (CFP) that were open as of June 30, 2024.

| Project<br>Number          | Funds<br>Approved | Funds Expended |      |              |              |              |              |              |               |      |               | Total<br>Funds<br>Expended | Balance of<br>Funds<br>Approved |
|----------------------------|-------------------|----------------|------|--------------|--------------|--------------|--------------|--------------|---------------|------|---------------|----------------------------|---------------------------------|
|                            |                   | 2015           | 2016 | 2017         | 2018         | 2019         | 2020         | 2021         | 2022          | 2023 | 2024          |                            |                                 |
| Capital Fund Program (CFP) |                   |                |      |              |              |              |              |              |               |      |               |                            |                                 |
| CA39P003501-08             | \$ 4,141,929      | \$ -           | \$ - | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          | \$ - | \$ -          | \$ 4,141,929               | \$ -                            |
| CA39P003501-09             | 8,468,472         | -              | -    | -            | -            | -            | -            | -            | -             | -    | -             | 8,468,472                  | -                               |
| CA39P003501-10             | 8,224,164         | -              | -    | -            | -            | -            | -            | -            | -             | -    | -             | 8,224,164                  | -                               |
| CA39P003501-11             | 3,013,514         | 405,090        | -    | -            | -            | -            | -            | -            | -             | -    | -             | 3,013,514                  | -                               |
| CA39P003501-12             | 2,777,224         | -              | -    | -            | -            | -            | -            | -            | -             | -    | -             | 2,777,224                  | -                               |
| CA39P003501-13             | 2,400,278         | -              | -    | -            | -            | -            | -            | -            | -             | -    | -             | 2,400,278                  | -                               |
| CA39P003501-14             | 2,799,312         | 2,260,274      | -    | -            | -            | -            | -            | -            | -             | -    | -             | 2,799,312                  | -                               |
| CA39P003501-15             | 2,947,369         | 683,447        | -    | 2,263,922    | -            | -            | -            | -            | -             | -    | -             | 2,947,369                  | -                               |
| CA01P003501-16             | 6,513,733         | -              | -    | -            | -            | 6,513,733    | -            | -            | -             | -    | -             | 6,513,733                  | -                               |
| CA01P003501-17             | 6,515,300         | -              | -    | -            | 6,515,300    | -            | -            | -            | -             | -    | -             | 6,515,300                  | -                               |
| CA01P003501-18             | 9,544,680         | -              | -    | -            | -            | -            | 9,544,680    | -            | -             | -    | -             | 9,544,680                  | -                               |
| CA01P003501-19             | 9,824,634         | -              | -    | -            | -            | -            | -            | 9,824,634    | -             | -    | -             | 9,824,634                  | -                               |
| CA01P003501-20             | 10,288,343        | -              | -    | -            | -            | -            | -            | -            | 10,288,343    | -    | -             | 10,288,343                 | -                               |
| CA01P003501-21             | 4,784,071         | -              | -    | -            | -            | -            | -            | -            | -             | -    | 4,767,202     | 4,767,202                  | 16,869                          |
| CA01P003501-22             | 5,710,721         | -              | -    | -            | -            | -            | -            | -            | -             | -    | 5,691,287     | 5,691,287                  | 19,434                          |
| Total CFP                  | \$ 87,953,744     | \$ 3,348,811   | \$ - | \$ 2,263,922 | \$ 6,515,300 | \$ 6,513,733 | \$ 9,544,680 | \$ 9,824,634 | \$ 10,288,343 | \$ - | \$ 10,458,489 | \$ 87,917,441              | \$ 36,303                       |

# STATISTICAL SECTION

Financial Trend Information

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Revenue Capacity Information

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Debt Capacity Information

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Demographic and Economic Information

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Operating Information

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**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Statistical Section

This section of the Authority's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health.

**Financial Trend**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

**Revenue Capacity**

These schedules contain information to help the reader assess the Authority's significant local revenue sources.

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

**Operating Information**

These schedules contain information about the Authority's operations and resources to help the reader understand how the Authority's financial information relates to the services the Authority provides and the activities it performs.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Net Position by Component - Last Ten Years (Unaudited)  
(Amounts in Thousands)

| <b>Fiscal<br/>Year</b> | <b>Net Investment<br/>in Capital Assets</b> | <b>Restricted</b> | <b>Unrestricted</b> | <b>Total</b> |
|------------------------|---|-------------------|---------------------|--------------|
| 2024                   | \$ 166,857                                  | \$ 208,267        | \$ 458,319          | \$ 833,443   |
| 2023                   | 157,633                                     | 88,688            | 552,649             | 798,970      |
| 2022                   | 148,057                                     | 87,734            | 504,586             | 740,377      |
| 2021                   | 140,692                                     | 87,979            | 441,360             | 670,031      |
| 2020                   | 135,545                                     | 87,414            | 398,047             | 621,006      |
| 2019                   | 128,255                                     | 83,386            | 325,070             | 536,711      |
| 2018                   | 123,256                                     | 14,759            | 363,012             | 501,027      |
| 2017                   | 115,309                                     | 14,720            | 263,375             | 393,404      |
| 2016                   | 118,068                                     | 5,538             | 253,774             | 377,380      |
| 2015                   | 115,383                                     | 2,645             | 253,097             | 371,125      |

Source: Department of Finance

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Change in Net Position - Last Ten Years (Unaudited)  
(Amounts in Thousands)

|  | <b>2015</b>       | <b>2016</b>       | <b>2017</b>       | <b>2018</b>       |
|--|-------------------|-------------------|-------------------|-------------------|
| Operating revenues:  |                   |                   |                   |                   |
| Rental income  | \$ 25,023         | \$ 25,831         | \$ 30,909         | \$ 35,236         |
| Housing assistance payment<br>revenues and fees            | 663,162           | 674,038           | 739,486           | 912,452           |
| Operating grants   | -                 | -                 | -                 | -                 |
| Miscellaneous and other                                    | 20,257            | 16,629            | 25,066            | 5,312             |
| Total operating revenues                                   | 708,442           | 716,498           | 795,461           | 953,000           |
| Operating expenses:  |                   |                   |                   |                   |
| Housing assistance payments                                | 598,650           | 630,173           | 705,990           | 769,677           |
| Administrative   | 40,680            | 45,168            | 36,900            | 33,887            |
| Tenant services  | 1,303             | 1,687             | 1,368             | 710               |
| Utilities  | 3,379             | 3,491             | 3,776             | 4,014             |
| Maintenance and operations                                 | 15,443            | 15,362            | 15,864            | 16,867            |
| General expenses   | 11,212            | 12,525            | 23,044            | 24,967            |
| Depreciation and amortization                              | 8,271             | 9,325             | 9,337             | 9,463             |
| Total operating expenses                                   | 678,938           | 717,731           | 796,279           | 859,585           |
| Operating income (loss)                                    | 29,504            | (1,233)           | (818)             | 93,415            |
| Nonoperating revenues (expenses):                          |                   |                   |                   |                   |
| Investment income  | 625               | 642               | 697               | 700               |
| Gain (loss) on disposal of<br>capital assets               | 576               | 2,931             | 4,405             | 10                |
| Other nonoperating revenues                                | 8,645             | 3,946             | 11,825            | 13,498            |
| Other nonoperating expenses                                | (122)             | (31)              | (85)              | -                 |
| Total nonoperating<br>revenues (expenses)                  | 9,724             | 7,488             | 16,842            | 14,208            |
| Change in net position                                     | 39,228            | 6,255             | 16,024            | 107,623           |
| Net position, beginning of year,<br>as previously reported | 357,888           | 371,125           | 377,380           | 393,404           |
| Prior period adjustments                                   | (25,991)          | -                 | -                 | (9,235)           |
| Net position, beginning of year,<br>as restated            | 331,897           | 371,125           | 377,380           | 384,169           |
| Net position, end of year                                  | <u>\$ 371,125</u> | <u>\$ 377,380</u> | <u>\$ 393,404</u> | <u>\$ 491,792</u> |

Source: Department of Finance

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Change in Net Position - Last Ten Years (Unaudited)  
(Amounts in Thousands)

| <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> | <b>2024</b> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$ 39,993   | \$ 40,821   | \$ 43,248   | \$ 43,890   | \$ 46,418   | \$ 38,417   |
| 879,706     | 958,683     | 1,027,388   | 1,068,679   | 1,119,965   | 1,172,699   |
| -           | -           | -           | -           | -           | 6,626       |
| 24,641      | 26,087      | 28,839      | 32,928      | 28,962      | 31,164      |
| 944,340     | 1,025,591   | 1,099,475   | 1,145,497   | 1,195,345   | 1,248,906   |
| 826,947     | 902,293     | 965,534     | 1,004,185   | 1,050,427   | 1,121,026   |
| 33,201      | 45,543      | 41,689      | 28,873      | 42,611      | 47,704      |
| 1,444       | 1,240       | 1,225       | 1,288       | 1,439       | 1,338       |
| 4,168       | 4,144       | 4,687       | 4,628       | 5,187       | 5,191       |
| 16,144      | 19,574      | 18,493      | 16,567      | 22,218      | 24,510      |
| 26,869      | 27,219      | 28,699      | 30,474      | 30,175      | 30,733      |
| 7,457       | 7,260       | 6,763       | 7,706       | 9,043       | 10,619      |
| 916,230     | 1,007,273   | 1,067,090   | 1,093,721   | 1,161,100   | 1,241,121   |
| 28,110      | 18,318      | 32,385      | 51,776      | 34,245      | 7,785       |
| 4,117       | 3,810       | 1,474       | 1,632       | 9,440       | 19,623      |
| 4           | 49,954      | -           | -           | -           | -           |
| 12,717      | 12,588      | 16,110      | 22,407      | 20,670      | 7,532       |
| (28)        | (376)       | (944)       | (5,468)     | (5,763)     | (467)       |
| 16,810      | 65,976      | 16,640      | 18,571      | 24,347      | 26,688      |
| 44,920      | 84,294      | 49,025      | 70,347      | 58,592      | 34,473      |
| 491,792     | 536,712     | 621,006     | 670,031     | 670,031     | 798,970     |
| -           | -           | -           | -           | -           | -           |
| 491,792     | 536,712     | 621,006     | 670,031     | 740,378     | 798,970     |
| 536,712     | 621,006     | 670,031     | 740,378     | 798,970     | 833,443     |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Operating Revenues by Source - Last Ten Years (Unaudited)  
(Amounts in Thousands)

| <b>Fiscal<br/>Year</b> | <b>Rental Income</b> |                   | <b>Housing Assistance Pay-<br/>ment Revenues and Fees</b> |                   | <b>Miscellaneous and Other</b> |                   | <b>Total</b>  |                   |
|------------------------|----------------------|-------------------|---|-------------------|--------------------------------|-------------------|---------------|-------------------|
|                        | <b>Amount</b>        | <b>% of Total</b> | <b>Amount</b>   | <b>% of Total</b> | <b>Amount</b>                  | <b>% of Total</b> | <b>Amount</b> | <b>% of Total</b> |
| 2024                   | \$ 38,417            | 3%                | \$ 1,172,699  | 93%               | \$ 37,790                      | 3%                | \$ 1,248,906  | 100%              |
| 2023                   | 46,418               | 4%                | 1,119,965   | 93%               | 28,962                         | 2%                | 1,195,345     | 100%              |
| 2022                   | 43,890               | 4%                | 1,068,679   | 93%               | 32,928                         | 3%                | 1,145,497     | 100%              |
| 2021                   | 43,248               | 4%                | 1,027,388   | 93%               | 28,839                         | 3%                | 1,099,475     | 100%              |
| 2020                   | 40,821               | 4%                | 958,683   | 93%               | 26,087                         | 3%                | 1,025,591     | 100%              |
| 2019                   | 39,993               | 4%                | 879,706   | 93%               | 24,641                         | 3%                | 944,340       | 100%              |
| 2018                   | 35,236               | 4%                | 912,452   | 96%               | 5,312                          | 1%                | 953,000       | 100%              |
| 2017                   | 30,909               | 4%                | 739,486   | 93%               | 25,066                         | 3%                | 795,461       | 100%              |
| 2016                   | 25,831               | 4%                | 674,038   | 94%               | 16,629                         | 2%                | 716,498       | 100%              |
| 2015                   | 25,023               | 4%                | 663,162   | 94%               | 20,257                         | 3%                | 708,442       | 100%              |

Source: Department of Finance



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Nonoperating Revenues by Source - Last Ten Years (Unaudited)  
(Amounts in Thousands)

| <b>Fiscal<br/>Year</b> | <b>Investment Income</b> |                   | <b>Other Nonoperating</b> |                   | <b>Total</b>  |                   |
|------------------------|--------------------------|-------------------|---------------------------|-------------------|---------------|-------------------|
|                        | <b>Amount</b>            | <b>% of Total</b> | <b>Amount</b>             | <b>% of Total</b> | <b>Amount</b> | <b>% of Total</b> |
| 2024                   | \$ 19,623                | 72%               | \$ 7,532                  | 28%               | \$ 27,155     | 100%              |
| 2023                   | 9,440                    | 31%               | 20,670                    | 69%               | 30,110        | 100%              |
| 2022                   | 1,632                    | 7%                | 22,407                    | 93%               | 24,039        | 100%              |
| 2021                   | 1,474                    | 8%                | 16,110                    | 92%               | 17,584        | 100%              |
| 2020                   | 3,810                    | 6%                | 62,542                    | 94%               | 66,352        | 100%              |
| 2019                   | 4,117                    | 24%               | 12,721                    | 76%               | 16,838        | 100%              |
| 2018                   | 700                      | 5%                | 13,508                    | 95%               | 14,208        | 100%              |
| 2017                   | 697                      | 4%                | 16,230                    | 96%               | 16,927        | 100%              |
| 2016                   | 642                      | 9%                | 6,877                     | 91%               | 7,519         | 100%              |
| 2015                   | 625                      | 6%                | 9,221                     | 94%               | 9,846         | 100%              |

Source: Department of Finance

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Debt Service Coverage - Last Ten Years (Unaudited)  
(Amounts in Thousands)

|  | <u>2015</u>    | <u>2016</u>    | <u>2017</u>    | <u>2018</u>    | <u>2019</u>    |
|--|----------------|----------------|----------------|----------------|----------------|
| Revenues <sup>(1)</sup>                                  | \$ 709,067     | \$ 717,140     | \$ 796,158     | \$ 953,700     | \$ 948,457     |
| Operating expenses (excluding depreciation/amortization) | <u>670,667</u> | <u>708,406</u> | <u>786,942</u> | <u>850,122</u> | <u>908,773</u> |
| Revenues available for debt service                      | <u>38,400</u>  | <u>8,734</u>   | <u>9,216</u>   | <u>103,578</u> | <u>39,684</u>  |
| Debt service requirements:                               |                |                |                |                |                |
| Principal  | -              | -              | -              | -              | -              |
| Interest   | <u>-</u>       | <u>-</u>       | <u>-</u>       | <u>-</u>       | <u>-</u>       |
| Total debt service                                       | <u>-</u>       | <u>-</u>       | <u>-</u>       | <u>-</u>       | <u>-</u>       |
| Debt service coverage                                    | <u>-</u>       | <u>-</u>       | <u>-</u>       | <u>-</u>       | <u>-</u>       |

(Continued)

Note: (1) Revenues include operating revenues, operating grants and investment income.

Source: Department of Finance

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Debt Service Coverage - Last Ten Years (Unaudited) (Continued)  
(Amounts in Thousands)

|  | <b>2020</b>  | <b>2021</b>  | <b>2022</b>  | <b>2023</b>  | <b>2024</b>  |
|--|--------------|--------------|--------------|--------------|--------------|
| Revenues <sup>(1)</sup>                                  | \$ 1,029,401 | \$ 1,100,949 | \$ 1,169,536 | \$ 1,204,785 | \$ 1,268,529 |
| Operating expenses (excluding depreciation/amortization) | 1,000,013    | 1,060,327    | 1,086,015    | 1,152,057    | 1,230,503    |
| Revenues available for debt service                      | 29,388       | 40,622       | 83,521       | 52,728       | 38,026       |
| Debt service requirements:                               |              |              |              |              |              |
| Principal  | -            | -            | -            | 868          | 1,043        |
| Interest   | -            | -            | -            | 3            | 2            |
| Total debt service                                       | -            | -            | -            | 871          | 1,045        |
| Debt service coverage                                    | -            | -            | -            | 60.54%       | 36.39%       |

Note: (1) Revenues include operating revenues, operating grants and investment income.

Source: Department of Finance

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Outstanding Debt Related to Capital Assets - Last Ten Years (Unaudited)  
(Amounts in Thousands)

| <b>Fiscal<br/>Year</b> | <b>Long-Term Debt - SBITA</b> |                           |              | <b>Capital<br/>Assets, Net</b> | <b>Ratio of<br/>Total Debt to<br/>Capital Assets</b> |
|------------------------|-------------------------------|---------------------------|--------------|--------------------------------|--|
|                        | <b>Current Portion</b>        | <b>Noncurrent Portion</b> | <b>Total</b> |                                |  |
| 2024                   | \$ -                          | \$ -                      | \$ -         | \$ 166,857                     | 0.00%  |
| 2023                   | 444                           | -                         | 444          | 158,076                        | 0.28%  |
| 2022                   | -                             | -                         | -            | 148,057                        | 0.00%  |
| 2021                   | -                             | -                         | -            | 140,692                        | 0.00%  |
| 2020                   | -                             | -                         | -            | 135,545                        | 0.00%  |
| 2019                   | -                             | -                         | -            | 128,255                        | 0.00%  |
| 2018                   | -                             | -                         | -            | 123,256                        | 0.00%  |
| 2017                   | -                             | -                         | -            | 115,309                        | 0.00%  |
| 2016                   | -                             | -                         | -            | 118,067                        | 0.00%  |
| 2015                   | -                             | -                         | -            | 115,383                        | 0.00%  |

Source: Department of Finance

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Demographic and Economic Statistics - Last Ten Years (Unaudited)

| <b>Calendar<br/>Year</b> | <b>Population</b> | <b>Personal<br/>Income<br/>(in thousands)</b> | <b>Per Capita<br/>Personal<br/>Income</b> | <b>Median<br/>Age</b> | <b>School<br/>Enrollment</b> | <b>Unemployment<br/>Rate</b> |
|--------------------------|-------------------|---|---|-----------------------|------------------------------|------------------------------|
| 2024                     | 425,093           | \$ 52,225,183                                 | \$ 123,736                                | 36.2                  | 45,086                       | 5.1%                         |
| 2023                     | 419,556           | 53,307,095                                    | 123,711                                   | 36.2                  | 45,741                       | 4.7%                         |
| 2022                     | 424,464           | 48,009,903                                    | 111,050                                   | 36.2                  | 46,600                       | 3.5%                         |
| 2021                     | 435,514           | 48,009,913                                    | 111,050                                   | 36.2                  | 48,704                       | 7.7%                         |
| 2020                     | 432,327           | 48,009,913                                    | 111,050                                   | 36.2                  | 49,588                       | 10.5%                        |
| 2019                     | 429,932           | 45,360,302                                    | 104,921                                   | 36.2                  | 50,202                       | 3.4%                         |
| 2018                     | 428,750           | 43,094,688                                    | 100,236                                   | 36.2                  | 50,231                       | 3.5%                         |
| 2017                     | 427,493           | 39,944,451                                    | 93,165                                    | 36.5                  | 49,760                       | 4.2%                         |
| 2016                     | 424,717           | 37,289,279                                    | 87,228                                    | 36.2                  | 49,098                       | 4.9%                         |
| 2015                     | 419,490           | 35,098,292                                    | 82,639                                    | 36.2                  | 48,077                       | 5.9%                         |

Source: City of Oakland 2024 Annual Comprehensive Financial Report.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Principal Employers in Oakland - Current and Nine Years Ago

| <b>Employer</b>   | <b>2024</b>                    |             |                                  | <b>2015</b>                    |             |                                  |
|---|--------------------------------|-------------|----------------------------------|--------------------------------|-------------|----------------------------------|
|   | <b>Number of<br/>Employees</b> | <b>Rank</b> | <b>% of Total<br/>Employment</b> | <b>Number of<br/>Employees</b> | <b>Rank</b> | <b>% of Total<br/>Employment</b> |
| Kaiser Permanente Medical Group,<br>Kaiser Foundation Hospitals and Health Plan | 11,500+                        | 1           | 5.8%                             | 9,992                          | 1           | 5.0%                             |
| County of Alameda   | 8,000+                         | 2           | 4.1%                             | 5,312                          | 3           | 2.7%                             |
| Oakland Unified School District   | 5,500+                         | 3           | 2.8%                             | 6,637                          | 2           | 3.3%                             |
| City of Oakland   | 4,500+                         | 4           | 2.3%                             | 3,352                          | 4           | 1.7%                             |
| State of California   | 4,000+                         | 5           | 2.0%                             | 3,169                          | 6           | 1.6%                             |
| San Francisco Bay Area Rapid Transit District                                   | 4,000+                         | 6           | 2.0%                             | 3,210                          | 5           | 1.6%                             |
| Soutwest Airlines   | 3,000+                         | 7           | 1.5%                             | 2,113                          | 10          | 1.1%                             |
| Alameda Health System   | 2,500+                         | 8           | 1.3%                             | 2,300                          | 8           | 1.2%                             |
| UCSF Benioff Children's Hospital & Research Center                              | 2,500+                         | 9           | 1.0%                             | 2,800                          | 7           | 1.4%                             |
| Federal Express Corporation   | 2,000+                         | 10          | 1.0%                             |                                |             |                                  |
| United Parcel Service   |                                |             |                                  | 2,200                          | 9           | 1.1%                             |
| Total, Ten Largest Employers  | <u>47,500+</u>                 |             |                                  | <u>41,085</u>                  |             |                                  |

Source: City of Oakland Economic & Workforce Development Department.

Note: Percent of total employment is based on June 2024 employment of 196,600 and 2015 annual employment of 198,700 as reported by the California Employment Development Department.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Capital Assets by Category (Unaudited)  
(Amounts in Thousands)

|   | <u>2015</u>       | <u>2016</u>       | <u>2017</u>       | <u>2018</u>    | <u>2019</u>    |
|---|-------------------|-------------------|-------------------|----------------|----------------|
| Category:                                     |                   |                   |                   |                |                |
| Land  | \$ 67,319         | \$ 67,863         | \$ 67,748         | 77,757         | 79,985         |
| Construction in progress                      | 9,127             | 3,112             | 3,221             | 2,204          | 6,844          |
| Buildings and improvements                    | 269,564           | 284,319           | 289,128           | 296,502        | 301,415        |
| Equipment and vehicles                        | 7,478             | 9,769             | 10,240            | 11,062         | 11,194         |
| Right-to-use assets - SBITA                   | -                 | -                 | -                 | -              | -              |
| Total capital assets, gross                   | 353,488           | 365,063           | 370,337           | 387,525        | 399,438        |
| Less accumulated<br>depreciation/amortization | (238,105)         | (246,996)         | (255,028)         | (264,269)      | (271,182)      |
| Total capital assets, net                     | 115,383           | 118,067           | 115,309           | 123,256        | 128,256        |
| Related debt                                  | -                 | -                 | -                 | -              | -              |
| Net investment in capital assets              | <u>\$ 115,383</u> | <u>\$ 118,067</u> | <u>\$ 115,309</u> | <u>123,256</u> | <u>128,256</u> |

(Continued)

Notes: (1) The capital asset balance was restated due to the implementation of GASB  
Statemnt No. 96, *Subscription-Based Information Technology Arrangements*

Source: Department of Finance

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Capital Assets by Category (Unaudited) (Continued)  
(Amounts in Thousands)

|   | <u>2020</u>      | <u>2021</u>      | <u>2022 (1)</u>  | <u>2023</u>      | <u>2024</u>      |
|---|------------------|------------------|------------------|------------------|------------------|
| Category:                                     |                  |                  |                  |                  |                  |
| Land  | 79,985           | 79,985           | 79,985           | 79,985           | 79,985           |
| Construction in progress                      | 14,354           | 9,842            | 12,715           | 14,371           | 20,502           |
| Buildings and improvements                    | 299,268          | 313,370          | 323,996          | 337,604          | 348,898          |
| Equipment and vehicles                        | 11,518           | 13,300           | 14,872           | 17,106           | 18,195           |
| Right-to-use assets - SBITA                   | -                | -                | 1,311            | 1,311            | 1,911            |
| Total capital assets, gross                   | 405,125          | 416,497          | 432,879          | 450,377          | 469,491          |
| Less accumulated<br>depreciation/amortization | <u>(269,580)</u> | <u>(275,805)</u> | <u>(283,511)</u> | <u>(292,301)</u> | <u>(302,634)</u> |
| Total capital assets, net                     | 135,545          | 140,692          | 149,368          | 158,076          | 166,857          |
| Related debt                                  | <u>-</u>         | <u>-</u>         | <u>-</u>         | <u>(443)</u>     | <u>-</u>         |
| Net investment in capital assets              | <u>135,545</u>   | <u>140,692</u>   | <u>149,368</u>   | <u>157,633</u>   | <u>166,857</u>   |

Notes: (1) The capital asset balance was restated due to the implementation of GASB  
Statemnt No. 96, *Subscription-Based Information Technology Arrangements*

Source: Department of Finance



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Full-time Equivalent Employees by Department - Last Ten Years

| <b>Department</b>                         | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> | <b>2024</b> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Executive Office                          | 10          | 9           | 8           | 8           | 8           | 8           | 12          | 14          | 14          | 18          |
| Office of Program Administration          | 2           | 1           | -           | -           | -           | -           | -           | -           | -           | -           |
| Family and Community Partnerships         | 17          | 14          | 18          | 21          | 25          | 25          | 25          | 25          | 25          | 19          |
| Finance                                   | 20          | 20          | 20          | 20          | 21          | 21          | 21          | 26          | 26          | 26          |
| Information Technology                    | 11          | 11          | 11          | 10          | 11          | 11          | 11          | 11          | 11          | 11          |
| Contract Compliance & General Services    | 8           | 8           | 9           | 8           | 7           | 7           | 7           | 7           | 7           | 7           |
| Human Resources                           | 8           | 8           | 8           | 8           | 8           | 8           | 9           | 8           | 8           | 8           |
| California Affordable Housing Initiatives | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Office of Real Estate Development         | 8           | 7           | 6           | 6           | 7           | 7           | 7           | 7           | 7           | 7           |
| Leased Housing                            | 87          | 90          | 90          | 92          | 97          | 97          | 97          | 95          | 95          | 95          |
| Office of Property Operations             | 154         | 157         | 155         | 152         | 146         | 146         | 141         | 135         | 135         | 135         |
| Risk Management                           | -           | -           | -           | -           | -           | -           | -           | 2           | 2           | 2           |
| Police                                    | 45          | 45          | 45          | 45          | 45          | 45          | 45          | 45          | 45          | 47          |
| <b>TOTAL</b>                              | <b>371</b>  | <b>371</b>  | <b>371</b>  | <b>371</b>  | <b>376</b>  |             | <b>376</b>  | <b>376</b>  | <b>376</b>  | <b>376</b>  |

Source: Department of Finance

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Housing Unit Inventory by Program - Last Ten Years  
(Unaudited)

| Program  | Number of Units      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 | 2023                 | 2024                 |
| <b>PUBLIC HOUSING</b>                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Large Family Sites</b>                        |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Campbell Village                                 | 154                  | 154                  | 154                  | 154                  | 154                  | 154                  | 154                  | 154                  | 154                  | 154                  |
| Lockwood Gardens                                 | 372                  | 372                  | 372                  | 372                  | 372                  | 372                  | 372                  | 372                  | 372                  | 372                  |
| Peralta Villa                                    | 390                  | 390                  | 390                  | 390                  | 390                  | 390                  | 390                  | 390                  | 390                  | 390                  |
|  | <u>916</u>           | <u>916</u>           | <u>916</u>           | <u>916</u>           | <u>916</u>           | <u>916</u>           | <u>916</u>           | <u>916</u>           | <u>916</u>           | <u>916</u>           |
| <b>Designated Senior Sites</b>                   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Harrison Tower                                   | 101                  | 101                  | 101                  | 101                  | 101                  | 101                  | 101                  | 101                  | 101                  | 101                  |
| Adel Court                                       | 30                   | 30                   | 30                   | 30                   | 30                   | 30                   | 30                   | 30                   | 30                   | 30                   |
| Oak Grove North (2)                              | 77                   | 77                   | 77                   | 77                   | 77                   | -                    | -                    | -                    | -                    | -                    |
| Oak Grove South (2)                              | 75                   | 75                   | 75                   | 75                   | 75                   | -                    | -                    | -                    | -                    | -                    |
| Palo Vista Gardens                               | 100                  | 100                  | 100                  | 100                  | 100                  | 100                  | 100                  | 100                  | 100                  | 100                  |
|  | <u>383</u>           | <u>383</u>           | <u>383</u>           | <u>383</u>           | <u>383</u>           | <u>231</u>           | <u>231</u>           | <u>231</u>           | <u>231</u>           | <u>231</u>           |
| <b>HOPE VI Sites (Public Housing Units Only)</b> |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Foothill Family Apts.                            | 21                   | 21                   | 21                   | 21                   | 21                   | 21                   | 21                   | 21                   | 21                   | 21                   |
| Linden Court                                     | 38                   | 38                   | 38                   | 38                   | 38                   | 38                   | 38                   | 38                   | 38                   | 38                   |
| Chestnut Court                                   | 45                   | 45                   | 45                   | 45                   | 45                   | 45                   | 45                   | 45                   | 45                   | 45                   |
| Mandela Gateway                                  | 46                   | 46                   | 46                   | 46                   | 46                   | 46                   | 46                   | 46                   | 46                   | 46                   |
| Lion Creek Crossings                             | 157                  | 157                  | 157                  | 157                  | 157                  | 157                  | 157                  | 157                  | 157                  | 157                  |
|  | <u>307</u>           | <u>307</u>           | <u>307</u>           | <u>307</u>           | <u>307</u>           | <u>307</u>           | <u>307</u>           | <u>307</u>           | <u>307</u>           | <u>307</u>           |
| <b>TOTAL PUBLIC HOUSING</b>                      | <b><u>1,606</u></b>  | <b><u>1,606</u></b>  | <b><u>1,606</u></b>  | <b><u>1,606</u></b>  | <b><u>1,606</u></b>  | <b><u>1,454</u></b>  | <b><u>1,454</u></b>  | <b><u>1,454</u></b>  | <b><u>1,454</u></b>  | <b><u>1,454</u></b>  |
| <b>HOUSING CHOICE VOUCHER PROGRAM</b>            |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Moving to Work (MTW)</b>                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| General MTW Housing Choice Vouchers (1)          | 12,814               | 12,858               | 12,866               | 12,866               | 12,874               | 12,866               | 13,107               | 13,107               | 13,273               | 13,160               |
| <b>Non-MTW</b>                                   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Section 8 Mod Rehab                              | 251                  | 251                  | 251                  | 251                  | 251                  | 143                  | 143                  | 143                  | 143                  | 143                  |
| Section 8 Mainstream                             | 175                  | 175                  | 175                  | 175                  | 175                  | 212                  | 212                  | 212                  | 212                  | 262                  |
| Veterans Affairs Supportive Housing              | 326                  | 326                  | 326                  | 396                  | 396                  | 396                  | 396                  | 526                  | 526                  | 526                  |
| Family Unification Program                       | 50                   | 50                   | 50                   | 50                   | 50                   | 101                  | 51                   | 99                   | 99                   | 99                   |
| Emergency Housing Vouchers                       | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 515                  | 515                  |
| Non-Elderly Disabled Vouchers                    | -                    | 65                   | 65                   | 65                   | 65                   | 85                   | 85                   | 85                   | 85                   | 85                   |
| Tenant Protection Vouchers                       | -                    | -                    | -                    | -                    | -                    | 141                  | 141                  | 141                  | 141                  | 150                  |
|  | <u>802</u>           | <u>867</u>           | <u>867</u>           | <u>937</u>           | <u>937</u>           | <u>1,078</u>         | <u>1,028</u>         | <u>1,206</u>         | <u>1,721</u>         | <u>1,780</u>         |
| <b>TOTAL HOUSING CHOICE VOUCHERS</b>             | <b><u>13,616</u></b> | <b><u>13,725</u></b> | <b><u>13,733</u></b> | <b><u>13,803</u></b> | <b><u>13,811</u></b> | <b><u>13,944</u></b> | <b><u>14,135</u></b> | <b><u>14,313</u></b> | <b><u>14,994</u></b> | <b><u>16,394</u></b> |
| <b>SHELTER PLUS CARE PROGRAM</b>                 | <b><u>333</u></b>    | <b><u>331</u></b>    | <b><u>331</u></b>    | <b><u>331</u></b>    | <b><u>331</u></b>    | <b><u>331</u></b>    | <b><u>331</u></b>    | <b><u>331</u></b>    | <b><u>331</u></b>    | <b><u>331</u></b>    |
| <b>TOTAL INVENTORY</b>                           | <b><u>15,555</u></b> | <b><u>15,662</u></b> | <b><u>15,670</u></b> | <b><u>15,740</u></b> | <b><u>15,748</u></b> | <b><u>15,729</u></b> | <b><u>15,920</u></b> | <b><u>16,098</u></b> | <b><u>15,325</u></b> | <b><u>16,725</u></b> |

(1) Authorized vouchers not vouchers in use.

(2) Oak Grove North and Oak Grove South were removed from the Public Housing program and transferred to a limited partnership in December 2019.

Source: MTW Annual Reports, 2014-2024

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Number of Households on Waiting Lists - Last Ten Years (Unaudited)

| Program   | Number of Households |               |               |               |               | Number of Households |               |               |               |               |
|---|----------------------|---------------|---------------|---------------|---------------|----------------------|---------------|---------------|---------------|---------------|
|   | 2015                 | 2016          | 2017          | 2018          | 2019          | 2020                 | 2021          | 2022          | 2023          | 2024          |
| <b>Public Housing</b>                               | <b>11,612</b>        | <b>12,441</b> | <b>3,203</b>  | <b>3,397</b>  | <b>6,687</b>  | <b>4,977</b>         | <b>2,089</b>  | <b>5,894</b>  | <b>2022</b>   | <b>3262</b>   |
| <b>Section 8 Vouchers</b>                           |                      |               |               |               |               |                      |               |               |               |               |
| General, Mainsteam, and Mod Rehab                   | 7,557                | 7,048         | 3,200         | 3,500         | 1,912         | 2,500                | 2,217         | 1,617         | 303           | -             |
| OAHPI Scattered Sites                               | 2,997                | 2,031         | 4,050         | 3,200         | 562           | 218                  | 367           | 1,000         | 340           | -             |
| Other Project Based Voucher Sites*                  | 17,291               | 17,033        | 28,848        | 35,649        | 36,576        | 36,035               | 45,344        | 36,384        | 41,944        | 20,842        |
| Shelter Plus Care                                   | 59                   | 59            | (a)           | (a)           | (a)           | (a)                  | (a)           | (a)           | (a)           | (a)           |
| Subtotal - Section 8 Vouchers                       | <b>27,904</b>        | <b>26,171</b> | <b>36,098</b> | <b>42,349</b> | <b>39,050</b> | <b>38,753</b>        | <b>47,928</b> | <b>39,001</b> | <b>42,587</b> | <b>20,842</b> |
| <b>HOPE VI Sites</b>                                | <b>2,101</b>         | <b>1,718</b>  | <b>921</b>    | <b>905</b>    | <b>(b)</b>    | <b>(b)</b>           | <b>(b)</b>    | <b>(b)</b>    | <b>(b)</b>    | <b>(b)</b>    |
| <b>Parents and Children Together (PACT) Program</b> | <b>(a)</b>           | <b>(a)</b>    | <b>(a)</b>    | <b>5</b>      | <b>3</b>      | <b>3</b>             | <b>3</b>      | <b>12</b>     | <b>12</b>     | <b>-</b>      |
| <b>Total</b>  | <b>41,617</b>        | <b>40,330</b> | <b>40,222</b> | <b>46,656</b> | <b>45,740</b> | <b>43,733</b>        | <b>50,020</b> | <b>44,907</b> | <b>44,609</b> | <b>24,104</b> |

(a) Not available

(b) Waiting List Households for HOPE VI Sites are included in the totals for Public Housing and Other Project Based Voucher Sites.

\* Combined waitlists for Project Based Voucher and other units at some sites.

Source: MTW Annual Reports, 2014-2024, and Authority Records

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Completed Work Orders for Authority Managed Housing  
Last Ten Years (Unaudited)

| Development                 | Number of Units |               |               |               |               | Number of Units |               |               |               |               |
|-----------------------------|-----------------|---------------|---------------|---------------|---------------|-----------------|---------------|---------------|---------------|---------------|
|                             | 2015            | 2016          | 2017          | 2018          | 2019          | 2020            | 2021          | 2022          | 2023          | 2024          |
| <b>Large Public Housing</b> |                 |               |               |               |               |                 |               |               |               |               |
| Lockwood Gardens            | 1,910           | 1,616         | 1,814         | 2,321         | 2,317         | 2,084           | 2,135         | 2,920         | 2,581         | 1,975         |
| Peralta Village             | 1,195           | 1,497         | 2,978         | 2,988         | 2,943         | 2,929           | 2,432         | 2,607         | 2,590         | 2,245         |
| <b>Subtotal</b>             | <b>3,105</b>    | <b>3,113</b>  | <b>4,792</b>  | <b>5,309</b>  | <b>5,260</b>  | <b>5,013</b>    | <b>4,567</b>  | <b>5,527</b>  | <b>5,171</b>  | <b>4,220</b>  |
| <b>Scattered Sites</b>      |                 |               |               |               |               |                 |               |               |               |               |
| Deep East                   | 1,666           | 1,278         | 1,473         | 1,947         | 2,225         | 1,936           | 1,851         | 1,828         | 1,878         | 1,365         |
| East Oakland                | 1,697           | 1,344         | 1,416         | 1,533         | 1,910         | 1,745           | 1,992         | 1,725         | 2,106         | 1,415         |
| Fruitvale                   | 2,444           | 2,109         | 1,359         | 1,316         | 1,997         | 1,803           | 2,101         | 2,552         | 2,184         | 3,730         |
| San Antonio                 | 1,449           | 1,552         | 1,187         | 1,315         | 1,560         | 1,347           | 1,714         | 1,841         | 1,754         | 3,030         |
| West Oakland                | 1,251           | 1,402         | 1,441         | 1,399         | 1,326         | 1,108           | 1,765         | 2,062         | 1,836         | 1,648         |
| North Oakland               | 1,285           | 1,109         | 1,481         | 1,401         | 1,427         | 1,102           | 1,467         | 1,824         | 1,817         | 1,707         |
| <b>Subtotal</b>             | <b>9,792</b>    | <b>8,794</b>  | <b>8,357</b>  | <b>8,911</b>  | <b>10,445</b> | <b>9,041</b>    | <b>10,890</b> | <b>11,832</b> | <b>11,575</b> | <b>12,895</b> |
| <b>Total</b>                | <b>12,897</b>   | <b>11,907</b> | <b>13,149</b> | <b>14,220</b> | <b>15,705</b> | <b>14,054</b>   | <b>15,457</b> | <b>17,359</b> | <b>16,746</b> | <b>17,115</b> |

Sources: MTW Annual Report and Authority Records

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Police Department Activities - Last Ten Years  
(Unaudited)

|   | Calendar Year |            |           | Calendar Year |         |         |        |        |        |        |
|---|---------------|------------|-----------|---------------|---------|---------|--------|--------|--------|--------|
|   | 2015          | 2016       | 2017      | 2018          | 2019    | 2020    | 2021   | 2022   | 2023   | 2024   |
| <b>OHA Police Department Calls for Service (1)</b>          |               |            |           |               |         |         |        |        |        |        |
| Number of Incidents   | 21,330        | 18,310     | 19,532    | 13,421        | 16,983  | 25,167  | 26,744 | 24,959 | 21,514 | 18,761 |
| <b>OHA Police Department Reported UCR Part 1 Crimes (2)</b> |               |            |           |               |         |         |        |        |        |        |
| Number of Offenses  | 620           | 636        | 533       | 521           | 543     | 793     | 817    | 935    | 873    | 455    |
| <b>OHA Police Department Parking Enforcement Revenue</b>    |               |            |           |               |         |         |        |        |        |        |
| Number of Citations   | 4,342         | 6,479      | 4,329     | 4,002         | 4,038   | 5,453   | 4,814  | 3,003  | 2,296  | 2,369  |
| Revenue   | \$ 234,382    | \$ 68,359  | \$ 78,274 | \$ 80,978     | 81,706  | 100,194 | 86,442 | 40,599 | 42,869 | 45,116 |
| <b>OHA Police Department Fraud Recovery Revenue</b>         |               |            |           |               |         |         |        |        |        |        |
| Repayment Agreements  | \$ 82,474     | \$ 65,926  | 124,285   | 159,485       | 212,053 | 148,501 | 61,803 | 91,163 | -      | -      |
| Recovered Funds   | \$ 234,382    | \$ 213,268 | 139,489   | 177,246       | 172,745 | 157,584 | 72,858 | 69,200 | -      | -      |

- (1) Calls for service represents all communication incidents with the OHA PD Communications Center, including calls for service, communications from OHA PD officers in the field, 911 calls, etc.
- (2) Uniform Crime Reporting (UCR) Part 1 Crimes include murder, rape, robbery, assault, burglary, larceny and auto theft.

Sources: OHA Police Department Annual Reports; OHA Police Records Management System; Indico Public Safety Records

# HOUSING AUTHORITY OF THE CITY OF OAKLAND, CALIFORNIA

## Property Characteristics and Dwelling Unit Composition (Unaudited)

June 30, 2024

### Authority Public Housing Developments

| Name of Development               | Location             | # of Units   |
|-----------------------------------|----------------------|--------------|
| Harrison Towers                   | 1621 Harrison Street | 101          |
| Adel Court                        | 2001 MacArthur Blvd. | 30           |
| Campbell Village                  | 1657 10th Street     | 154          |
| Lockwood Gardens                  | 1263 65th Avenue     | 372          |
| Palo Vista Gardens                | 1110 64th Avenue     | 100          |
| Peralta Villa                     | 906 Mandela Parkway  | 390          |
| <b>Total Public Housing Units</b> |                      | <b>1,147</b> |

Source: Appendix E, MTW Annual Report, 2024

### OAHPI Project Based Voucher Sites

| Name of Development                            | Location | # of Units   |
|--|----------|--------------|
| Deep East Scattered Sites                      | Various  | 278          |
| East Oakland Scattered Sites                   | Various  | 278          |
| Fruitvale Scattered Sites                      | Various  | 270          |
| North Oakland Scattered Sites                  | Various  | 244          |
| San Antonio Scattered Sites                    | Various  | 230          |
| West Oakland Scattered Sites                   | Various  | 239          |
| <b>Total OAHPI Project Based Voucher Units</b> |          | <b>1,539</b> |

Source: Authority Internal Records

### Mixed Finance Developments

| Name of Development                     | Location                | Public Housing Units | Project Based Voucher Units | Other Units  | Total Units  |
|---|-------------------------|----------------------|-----------------------------|--------------|--------------|
| Foothill Family Apts.                   | 6946 Foothill Blvd      | 21                   | 11                          | 33           | 65           |
| Linden Court                            | 1060 W. Grand Ave       | 38                   | -                           | 41           | 79           |
| Chestnut Court                          | 1060 West Grand Ave     | 45                   | -                           | 27           | 72           |
| Mandela Gateway                         | 1350-1400 7th St        | 46                   | 30                          | 92           | 168          |
| Lion Creek Crossings                    | 6888 Lion Way           | 157                  | 171                         | 366          | 567          |
| Tassafaronga Village                    | 945 84th Ave            | -                    | 99                          | 58           | 157          |
| Harrison Street Senior                  | 1633 Harrison St        | -                    | 11                          | 62           | 73           |
| Lakeside Senior                         | 1507 2nd Ave            | -                    | 91                          | 1            | 92           |
| The Savoy Apts.                         | 1424 Jefferson St       | -                    | 101                         | -            | 101          |
| Cathedral Gardens                       | 616 21nd St             | -                    | 43                          | 57           | 100          |
| Keller Housing Apts.                    | 5301 Telegraph Ave      | -                    | -                           | 201          | 201          |
| AveVista                                | 460 Grand Ave           | -                    | 34                          | 34           | 68           |
| Prosperity Place                        | 1110 Jackson St         | -                    | 35                          | 36           | 71           |
| ACTS/CYRENE                             | 9400 International Blvd | -                    | 14                          | 45           | 59           |
| Oak Grove Plaza North                   | 620 17th Street         | -                    | 75                          | 2            | 77           |
| Oak Grove Plaza South                   | 570 16th Street         | -                    | 74                          | 1            | 75           |
| Paseo and Vista Estero (Brooklyn Basin) | 255 and 285 8th Avenue  |                      | 132                         | 79           | 211          |
| The Empyrean                            | 344 13th Street         |                      | 32                          | 34           | 66           |
| <b>Total Mixed Finance Developments</b> |                         | <b>307</b>           | <b>953</b>                  | <b>1,169</b> | <b>2,302</b> |

Source: Appendix B, MTW Annual Report, 2024



**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with  
*Government Auditing Standards***

Members of the Board of Commissioners of the  
Housing Authority of the City of Oakland, California  
Oakland, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Oakland, California (Authority), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 30, 2024. Our report includes a reference to other auditors who audited the financial statements of the Authority's discretely presented component units as described in our report on the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Chestnut Linden Associates, Foothill Family Apartments, L.P., Lion Creek Senior Housing Partners, L.P., AveVista Associates, L.P., and Oak Groves Senior Housing, L.P. discretely presented component units, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with these discretely presented component units.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.



## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

Sacramento, California  
December 30, 2024

**Independent Auditor's Report on Compliance for the  
Major Federal Program and Report on Internal Control Over  
Compliance Required by the Uniform Guidance**

Members of the Board of Commissioners of the  
Housing Authority of the City of Oakland, California  
Oakland, California

**Report on Compliance for Each Major Federal Program**

***Opinion on the Major Federal Program***

We have audited the Housing Authority of the City of Oakland, California's (Authority) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal program for the year ended June 30, 2024. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

***Other Matter – Federal Expenditures Not Included in the Compliance Audit***

The Authority's basic financial statements include the operations of the California Affordable Housing Initiatives, Inc. (CAHI), a blended component unit, which expended \$865,887,621 in federal awards which is not included in the Authority's schedule of expenditures of federal awards during the year ended June 30, 2024. Our compliance audit, described below, does not include the operations of CAHI because we separately audited and reported on CAHI in accordance with the Uniform Guidance.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with

a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

Sacramento, California  
December 30, 2024

**HOUSING AUTHORITY OF THE CITY  
OF OAKLAND, CALIFORNIA**  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2024

| Grantor/Program Title                                     | Assistance<br>Listing<br>Number | Expenditures                 | Passed<br>Through to<br>Subrecipients |
|---|---------------------------------|------------------------------|---------------------------------------|
| U.S. Department of Housing and Urban Development:         |                                 |                              |                                       |
| Direct:   |                                 |                              |                                       |
| Section 8 Project-Based Cluster:                          |                                 |                              |                                       |
| Section 8 New Construction and Substantial Rehabilitation | 14.182                          | \$ 886,194                   | \$ -                                  |
| Family Self-Sufficiency Program                           | 14.896                          | 1,115,888                    | -                                     |
| Housing Voucher Cluster:                                  |                                 |                              |                                       |
| Section 8 Housing Choice Vouchers                         | 14.871                          | 5,757,674                    | -                                     |
| Mainstream Voucher Program (MV)                           | 14.879                          | 3,908,516                    | -                                     |
| Subtotal Housing Voucher Cluster                          |                                 | <u>9,666,190</u>             | <u>-</u>                              |
| Moving To Work Demonstration Program                      | 14.881*                         | 305,023,903                  | -                                     |
| COVID-19 Moving To Work Demonstration Program             | 14.881*                         | 13,722,945                   | -                                     |
| Subtotal Moving To Work Demonstration Program             |                                 | <u>318,746,848</u>           | <u>-</u>                              |
| Total U.S. Department of Housing and Urban Development    |                                 | <u><u>\$ 330,415,120</u></u> | <u><u>\$ -</u></u>                    |

\* Denotes major program

See accompanying notes to the schedule of expenditures of federal awards.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2024

**NOTE 1 – GENERAL**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Housing Authority of the City of Oakland, California (the Authority), except for expenditures reported for the California Affordable Housing Initiatives, Inc. (CAHI), a blended component unit. The Authority's reporting entity is defined in Note 1 of the Authority's basic financial statements. Federal awards received directly from federal agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority.

As a result of the COVID-19 pandemic, many new federal programs were established and funding added to existing federal programs. Expenditures funded by any of the following acts are denoted in the Schedule by the prefix COVID-19 in the federal program title.

- Coronavirus Preparedness and Response Supplemental Appropriations Act
- Families First Coronavirus Response Act
- Coronavirus Aid, Relief, and Economic Security Act (CARES Act)
- Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)
- American Rescue Plan Act (ARP)

**NOTE 2 – BASIS OF ACCOUNTING**

Amounts reported in the Schedule represent expenditures incurred for the Authority's federal award programs, except for the Moving To Work Demonstration (MTW) Program (ALN 14.881), and are reported on the accrual basis of accounting and include capitalized expenditures. Such expenditures are recognized following the cost principles contained in 2 CFR 200, Subpart E (Cost Principles), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Given the flexibility of the MTW Program, the housing assistance payment revenue earned from the U.S. Department of Housing and Urban Development (HUD) provides a better reflection of how HUD has funded the program and such amounts are reported as the Authority's MTW Program expenditures. The Authority did not elect to use the 10% de minimus cost rate as covered in §200.414 Indirect (F&A) costs.

**NOTE 3 – ASSISTANCE LISTING NUMBER (ALN)**

The ALNs included in the accompanying Schedule were determined based on the program name, review of grant contract information, and the General Services Administration's [SAM.gov](https://sam.gov) website.

**NOTE 4 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The Schedule agrees to or can be reconciled with the amounts reported in the Authority's basic financial statements.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**

Notes to the Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2024

**NOTE 5 – CALIFORNIA AFFORDABLE HOUSING INITIATIVES, INC. (CAHI)  
FEDERAL EXPENDITURES**

Federal expenditures incurred by CAHI are excluded from the Schedule because CAHI's federal expenditures are separately audited. Expenditures for CAHI's federal award program from the separately issued single audit report, is listed below:

| <u>Federal Grantor/Program Title</u>                    | <u>Assistance<br/>Listing Number</u> | <u>Federal<br/>Expenditures</u> |
|---|--------------------------------------|---------------------------------|
| <b>U.S. Department of Housing and Urban Development</b> |                                      |                                 |
| <i>Direct Program</i>                                   |                                      |                                 |
| Section 8 Project-Based Cluster:                        |                                      |                                 |
| Section 8 Housing Assistance Payments Program           | 14.195                               | \$ 865,887,621                  |
| Total U.S. Department of Housing and Urban Development  |                                      | <u>\$ 865,887,621</u>           |

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2024

**Section I – Summary of Auditor’s Results**

***Financial Statements***

Type of report the auditor issued on whether the financial  
statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

◆ Material weakness(es) identified? No

◆ Significant deficiency(ies) identified? No

Noncompliance material to the financial statements noted? No

***Federal Awards***

Internal control over major federal program:

◆ Material weakness(es) identified? No

◆ Significant deficiency(ies) identified? None reported

Type of auditor’s report issued on compliance for the  
major federal program: Unmodified

Any audit findings disclosed that are required to  
be reported in accordance with 2 CFR 200.516(a)? No

Identification of major program:

| <u>Assistance Listing Number (ALN)</u> | <u>Name of Federal Program</u>          |
|--|---|
| 14.881                                 | Moving To Work Demonstration<br>Program |

Dollar threshold used to distinguish between  
Type A and Type B programs: \$3,000,000

Auditee qualified as a low-risk auditee? No



**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2024

**Section II - Financial Statement Findings**

No matters were reported.

**Section III – Federal Award Findings**

No matters were reported.

**HOUSING AUTHORITY OF THE  
CITY OF OAKLAND, CALIFORNIA**  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2024

**Financial Statement Findings**

| <b>Finding<br/>Number</b> | <b>Classification</b>             | <b>Type of Finding</b> | <b>Status</b>       |
|---------------------------|-----------------------------------|------------------------|---------------------|
| 2022-002                  | Information Technology Governance | Significant Deficiency | Partially corrected |
| 2022-003                  | Business Continuity Plan          | Significant Deficiency | Partially corrected |



Oakland Housing  
Authority

## **SUPPORTING OUR OHA COMMUNITY**