

**MINUTES OF THE REGULAR MEETING
BOARD OF COMMISSIONERS
HOUSING AUTHORITY OF THE
CITY OF OAKLAND, CALIFORNIA**

**[Most meetings are recorded.
A copy of the recorded meetings can be made available
by contacting the Executive Office at 510-874-1512]**

Monday, September 28, 2020

Regular Meeting

NOTE: *In accordance with Governor Newsom's issued Executive Order N-29-20, dated March 17, 2020, Suspending Brown Act Requirements for public meetings due to Coronavirus (COVID-19), a local legislative body is authorized to hold public meetings via teleconferencing and make public meetings accessible "telephonically or electronically" to all members of the public seeking to observe and to address the legislative body.*

The Oakland Housing Authority Board of Commissioners convened a Special Meeting at 1619 Harrison Street, Oakland, California in accordance with the March 17, 2020 Alameda County Shelter in Place Order which limited public gatherings and required social distancing. Attendees in the meeting room were limited to seven (7) persons. The meeting was held through the Zoom software platform online and via teleconference, providing access to the public and enabling submission of public comment by phone and/or by email.

Chair Gregory Hartwig presided and called the meeting to order at 6:03 p.m.

I. Pledge of Allegiance

II. Roll Call

Chair Hartwig attended in person.

Vice-Chair Griffith, Barbara Montgomery, Bettye Lou Wright, Lynette Jung-Lee Mark Tortorich, Janny Castillo, attended via Zoom teleconference.

III. Approval of Minutes:

Approval of Minutes of the Regular Meeting of August 24, 2020.

Vice-Chair Griffith moved to approve the minutes, Commissioner Jung-Lee seconded the motion. The vote carried unanimously.

IV. Old or Unfinished Business:

None.

V. Modifications to the agenda

(Allows for any change in the order of business or the announcement of the postponement or continuation of agenda items.) The Board can only take action on items listed on this agenda unless a finding is made that an emergency exists or a need arose after agenda posting.)

None.

VI. New Business:

A. Informational presentation on the Oakland Housing Authority Annual 60002 Section 3 Report for Fiscal Year 2020.

Executive Director Wells introduced the item and Daniel Mermelstein, Contract Compliance and General Services (CCGS) Manager, who began the PowerPoint presentation with a brief summary background on the Section 3 program.

Rufus Davis, CCGS Labor Compliance Officer provided the Section 3 program goals, Procurement Education Monitoring, hiring goals and hiring achievements.

Nicole Thompson Acting Director of Family and Community Partnerships (FCP) provided information on the Workforce Development programs offered as well as challenges with the program.

Rufus Davis followed with a summary of the Section 3 60002 Annual Report that provided information on employment, construction and non-construction opportunities.

Vice-Chair Griffith inquired about the retention rate of those hired and tracking method. Rufus Davis responded that HUD would be monitoring new hires more closely in the near future. Nicole Thompson provided that the contractor of the Section 3 hires is contacted by the FCP staff to gain feedback on the hire(s) and they provide follow-up.

B. Informational presentation on the Federal Fiscal Year 2021 Fair Market Rent Table for the Oakland-Fremont, CA Metro FMR Area, published by the U.S. Department of Housing and Urban Development, August 14, 2020.

Executive Director Wells introduced the item and Michelle Hasan, Director of Leased Housing, who provided a summary PowerPoint presentation on HUD's FY 2021 Fair Market Rent Table, which also offered a comparative of the FMRs of FY 2021 to FY 2020.

Commissioner Castillo inquired about additional 25% vouchers, are they for the VASH Program? Director Hasan stated that yes that is only for VASH vouchers. OHA can go up as high as an additional 10% for the Voucher Program and is not reflected on the presentation chart.

Commissioner Castillo inquired about the number of units that are coming back online. Director Hasan stated that new construction within the last 2 years is excluded from the FMRs.

Director Hasan also explained that OHA must always comply with "rent reasonableness" where that is to find a range of units that can be offered to the owner and then look to see where did we set the payment standard.

Chair Hartwig stated that it seems rents are still on an upward trend despite of Covid-19. Director Hasan stated that it should be kept in mind that this should be viewed solely as HUD's data and that Oakland has its own very robust rental market. OHA is taking HUD's FMRs and reviewing the leasing trends in the open market data to determine how OHA's program can be supported. While HUD has issued their FMRs, Leased Housing staff is looking into what is showing in the market for Oakland. It appears that rents have fallen over the last year but that does not mean that they have fallen, necessarily, to HUD's Fair Market Rent level. Director Hasan stated that the analysis should be completed shortly and then brought before the Commission.

Dominica Henderson provided information on the Oakland-Fremont FMR area, which OHA is a part of and Oakland's FMRs are set at the same levels as cities in Contra Costa County as well as cities in Alameda County. HUD typically uses census data from years prior and uses escalators to determine the current fiscal year fair market rents. In the case of the Oakland-Fremont FMR area, OHA submitted a rent study in 2018, based on a survey of recent movers to determine what the rent levels were that those families were paying in comparison to the numbers that HUD generated from their calculation that relies on their old census data. The data that is shown on the current FMR table is the data that was included on the rent study.

- C. Authorization to modify the Authority's land ownership requirement for affordable housing partnerships to allow the Authority to negotiate long-term ground leases for sites owned by other public agencies where the land cannot be purchased, contingent on the lease having terms favorable to the Authority.

Executive Director Wells introduced the item and Acting Interim Senior Director of Real Estate Development, Bridget Galka. Director Galka introduced Michelle Brewer, of counsel, who was also present for the meeting and available for any questions.

Director Galka provided a summary on the background of the ownership requirement for affordable housing partnerships of the existing policy and the proposed enhancement to the existing policy.

Wherein the existing policy is for OHA to own the land and execute a long-term ground lease with the developer and the developer owns and operates the building(s).

The proposed enhancement to the existing policy is that the public agency owns the land and executes a long-term ground lease with OHA, who sub-leases to the developer. The developer owns and operates the building and the OHA preserves long-term affordability of the housing through the sub-lease. The public agencies who are interested in redeveloping their properties for non-agency use but also desire to maintain their ownership will convey their land via a long-term ground lease to the Authority.

Allowing this enhancement may be in the Authority's interest to explore because it will increase the potential for partnerships, to build more affordable housing.

A long term lease with other public agencies with whom a land purchase cannot be negotiated and in turn, sublease the site to a developer/owner; provides the Authority sufficient control over the site and project to ensure that the Authority's affordable housing goals would be realized over the long-term.

Michelle Brewer, of counsel, provided that specific terms regarding the lease from the public agency would need to be analyzed, identified, negotiated and then brought back to the Board. Director Galka also provided considerations regarding project costs for partnerships with public agency and developer will not necessarily be higher than partnerships with developers where the Authority owns the land.

After several questions from the Commission were answered, the Chair called for the vote for the resolution. Commissioner Tortorich motioned for approval, Vice-Chair Griffith seconded and the board voted unanimous approval.

- D. Authorization to execute a Memorandum of Understanding with Alameda County Health Care Services and Abode Services, as applicable, to provide long-term, services-enriched affordable housing to families with children and consent to OAHPI contracting with a third-party property management company to operate the housing.

Executive Director Wells introduced the item and Acting Interim Senior Director of Real Estate Development, Bridget Galka, who provided the background summary of the proposed supportive housing pilot program.

Director Galka provided that the Permanent Supportive Housing Pilot would be memorialized through the Memorandum of Understanding with Alameda County and Abode Services. Twenty-three families with children under 18 would be moved out of Project Roomkey and into permanent supportive

housing. The permanent units would be OHAPI units managed by Housing Consortium of the East Bay.

Commissioner Janny Castillo stated that the Housing Special Needs Committee Ad Hoc Committee reviewed the PSH Pilot Program and felt it is doing good work in the community while aligning itself with good partners, and were in favor of the proposal.

The Chair called for the vote for the resolution. Commissioner Jung-Lee motioned for approval, Commissioner Wright seconded and the board voted unanimous approval.

E. Consent Agenda:

Items on the Consent Agenda are considered routine and do not require separate discussion. If a Commissioner wishes to have discussion, or if a member of the public wishes to comment on any consent item, the item may be removed from the Consent Agenda and considered separately. Questions or clarifications may be considered by the Commission, without removal from the Consent Agenda. The Consent Agenda is adopted in one motion.

Executive Director Wells introduced Consent Items VI.E. 1 through 3
Commissioner Wright moved to approve the Consent agenda items, Commissioner Jung-Lee seconded and the board voted unanimous approval.

1. Authorization to execute a contract with ThyssenKrupp Elevator Corporation, for elevator equipment service, in an amount not to exceed \$300,000 for the initial three-year term, and \$100,000 for each additional one-year option term.
2. Authorization to execute a one-year contract, with two one-year option terms, for internal audit and process improvement/management advisory consulting services with the Bronner Group, LLP, in an amount not to exceed \$150,000 per year.
3. Authorization to renew the property (fire) insurance policy and to make payment of the annual premium in the amount not to exceed \$536,282.

F. Recognition of people wishing to address the Commission.

There were no public speaker requests wishing to address the Commission.

VII. Written Communications.

The OHA Departments' Monthly Report was included in the board packet.
Additional items of note:

FCP: Staff assisted with citywide partnerships with OUSD under the Shared Data Agreement to provide 234 families/394 students with Chromebook laptops.

ORED: Contractor is making good progress towards goal of re-occupying Oak Grove North in December 2020.

Brooklyn Basis Contractor has been given the go ahead to proceed the work.

Risk Mgmt.: Covid-19 Community Support of OHA engaging in discussions with CEO of City Health Urgent Care and Pastor of local West Oakland church to provide free rapid Covid-19 testing to everyone in the community.

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

Noted were the following items:

Through the Planning, Implementation and Compliance Department, the Authority received a \$50,000 grant award from the Abdul Latif Jameel Poverty Action Lab (J-PAL), housed at MIT for a proposed 3-year pilot program to provide stable housing with supportive services to homeless individuals and families. Dr. Stephanie Hawke, Research Associate, wrote the winning grant on behalf of OHA and to be the primary staff person leading the team on the implementation.

The updated Covid Tracking Dashboard with expenditures by department using the Covid Cares Funds was included in the report.

The National Association of Housing and Redevelopment Officials (NAHRO) Advocacy acknowledgement of letters received on opinions on Provide Relief Now. 12,901 letters were received, which exceeded the targeted goal by 4,000 letters. The Executive Director thanked the Commissioners who participated in the advocacy.

Executive Director Wells provided acknowledgement of expert services provided to the Authority by:

Helen Dunlap, Dunlap and Associates, assisting with Real Estate Development plan.

Kris Warren, CVR and Associates, who will be the interim Chief of Program and Finance Administration.

Interim General Counsel, Jhaila Brown, Jennifer Bell, returning counsel, and Michelle Brewer, all of Goldfarb and Lipman, LLP who assist the Agency.

IX. Reports of Commission Committees.

Janny Castillo stated that the Housing Special Needs Committee Ad Hoc Committee would be meeting soon, with meetings to be set for every other

month.

Transition Management Ad Hoc Committee met where they were updated on progress within the Executive Office. The committee has an upcoming review that the committee will be working on and will be presenting information from that review to the Commission.

Development Strategy Ad Hoc Committee met and discussed the ground lease policy, which was presented earlier on the agenda this evening. The conclusion that the committee came to was that the two alternatives of a long term lease with a public agency versus owning the land, if everything is done properly, are close enough that it is really not a significant enough difference for OHA to not move forward with a long term ground lease. The opinion of the committee was that OHA would represent a very reasonable course, particularly that it would be providing more housing.

X. Announcements by Commissioners.

There were no announcements by Commissioners.

XI. Adjournment of Meeting.

Chair Hartwig called for adjournment, Commissioner Tortorich motioned to adjourn; Commissioner Wright seconded the motion. The meeting was adjourned at 7:15 p.m.

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



Gregory D. Hartwig, Chair of the Commission

Patricia Wells, Secretary