



Berkeley Housing Authority

**DRAFT MINUTES of the
REGULAR MEETING OF THE BOARD OF THE
BERKELEY HOUSING AUTHORITY**

Thursday, April 8, 2010

**North Berkeley Senior Center
1901 Hearst Avenue
Berkeley, CA 94709**

6:00 p.m.

CAROLE NORRIS, CHAIR

**VALERIE AGOSTINO
MARJORIE COX
GEORGE AUSTIN**

**KATHARINE GALE
DOROTHY HUNT
ADOLPH MOODY**

1. **Call to Order**
The meeting was called to order at 6:01 p.m. by Chairperson Norris.
2. **Roll Call**
Board members present: Agostino, Cox, Austin and Gale; Hunt absent; Moody arrived at 6:05 p.m.
3. **Comments from the Public**
One member of the public, a representative from Satellite Housing, addressed the Board.
4. **Consent Calendar**
The minutes of the March 11, 2010 meeting were moved, seconded, and approved (Cox, Gale; Abstain: None Absent: Hunt).
5. **Report from the Executive Director**
Executive Director briefed the Board on the status of activities of the Housing Authority in the areas of overall administration, rental assistance in the Section 8 Voucher, and Authority owned rental housing programs, and informed the Board of potential significant actions/developments which may transpire prior to the next regular meeting.

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- A. Announced HUD Deputy Assistant Secretary, Shawn Donovan's appointment of Ophelia Basgal, as Western Region Director.
- B. PIC reporting once again above the minimum required 95%; the Executive Director and Finance Manager continue reconciliation project (comparing the two primary HUD systems: PIC and VMS) to ensure BHA is properly credited for all actual assistance administered; cause of problem not totally clear, but heavy indication that it is related to portability; remaining portion of the project requires action by another PHA. Once this project is complete, BHA's current practice of submitting and verifying all transactions at time of submission to HUD should effectively eliminate this problem in the future.
- C. VMS reporting remains over 95% in terms of units under contract, and utilization of annual HAP funding. VMS data lags behind PIC reporting, with a deadline of April 22nd for the period ending March 31st.
- D. Family Self Sufficiency. HUD approval of the three year waiver request is still pending; earlier in the day, staff provided HUD with the last set of information they indicate is needed for them to act on the request (this waiver is critical to our SEMAP score for FY ending June 30, 2010).
- E. BHA continuing efforts to fully implement and utilize the Elite software; appreciation expressed for the additional effort and tremendous patience of Sterling Inspection Co., as we struggle to fully implement the inspection and handheld module. To put the challenge in perspective, staff shared that Alameda County, with a committed Information Technology Department within the Authority, has seen its Elite implementation schedule delayed for several months. Board suggested that staff consider independence from the City's *information technology systems*; improve the functionality of the website; and consider the role that CAL interns could provide with both projects.
- F. Public Information Officer. Staff reported need of professional assistance in *telling our story*. Board expressed reservations about using limited financial resources for this effort, especially given BHA's current financial status. Staff should be careful not to get distracted by erroneous information disseminated by non-media sources. Board members noted the low rate at which public housing residents indicate that they use BHA's website for information.
- G. Section 8 Housing Choice Voucher Wait List. Reported new list (1,500 names) created for the Tenant Based, and separate list (additional 1,500 names) for the Project Based Housing Choice Voucher program. All applicants, selected in the lottery or not, can confirm their status on line at www.waitlistcheck.com. Executive Director reported that her relatives that applied were not selected in the lottery, thus eliminating any potential conflict of interest. Executive Director reviewing the "disclosures" reported by other BHA staff to identify any possible conflicts and to implement safeguards to minimize the possibility of favoritism.
- H. Deceased participants. Shared new HUD rule requiring BHA to respond promptly when an assisted person passes away. Significant is the timeline for situations where the only person in the assisted household passes away; BHA must terminate the assistance the last day of the month; no HUD funds can be used for rental subsidy beyond the last day of the month. This very strict regulation could be the cause of dissatisfaction by landlords; staff provided written notice to landlords with the April 2010 rental subsidy payment.
- I. Section 8 Project Based Vouchers. All projects awarded voucher in February 2010 moving forward. Staff remains hopeful the 39 units in the rehab projects can be under lease by June 1, 2010 if not sooner.
- J. Mod Rehab SRO Project. Briefed the Board on preliminary discussions with RCD around UA Homes. Financing for anticipated rehab project may necessitate that they not request/accept another one-year renewal of the Section 8 Mod Rehab contract. Staff will continue to monitor the situation, including any decision by HUD to provide BHA with

"Tenant protection vouchers" for the existing residents, and additional units for project based assistance at the property. Issue of increased criminal activity referred to staff for follow up.

- K. New comprehensive "maintenance specification" prepared to establish standard for all low income housing maintenance efforts moving forward. Copy available at BHA for review, and notice of same will be provided to all residents of Authority owned units. Resident Commissioner noted improvement in service from K&S.
- L. Vacant units: three rehabbed units not occupied pending clearance of all required permits from City of Berkeley. Staff have shown the units, and obtained commitments from families to lease the units. One existing resident to be transferred from a 3, to a 4-bedroom unit as a reasonable accommodation. Unit on MLK and Ward vandalized; BPD investigated, and BHA has boarded rear and side yard door and windows. This unit is off-line because of the anticipated high cost for investigation and correction of the plumbing/sewer problem.

6. **Report from the LIPH Feasibility Committee**

Written report received; Executive Director briefed the Board on the exchange of email correspondence with the Special Applications Center earlier in the day; HUD staff noted the application was non-committal in terms of the final disposition plans; staff advised of the April 23rd workshop, and that a final decision would follow shortly thereafter. Chairperson Norris stressed the importance of all Commissioners attending the April 23rd workshop; confirmed location of meeting as BHA Office (1901 Fairview St); Jon Gresley, Executive Director of the Oakland Housing Authority may be invited to share the OHA experience with the Board. Staff directed to consider surveying residents to identify their level of knowledge, and what they understand about the project. Question raised about the ability of Commissioner Hunt to serve at this critical time; Executive Director reported that Commissioner Hunt has been released from the hospital, but is not responding to telephone calls; will attempt a home visit; legal counsel advised process for resignation or removal by the Mayor.

7. **New Business**

- A. Annual Plan Documents Public Hearing and Adoption – Tia Ingram, Executive Director. No members of the public addressed the Board on this item. The staff report included the full text of comments from Legal Aid, et al and the staff generated summary of comments from the meeting with the Resident Advisory Board. Several sections were identified as needing tweaking and/or refinement to achieve the intended action, and to provide for uniformity between the Admin Plan (S8) and the ACOP (LIPH). Staff was directed to plan in advance for the 2011 Annual Plan process to provide the Board more time to review and analyze the significant policies embodied in the documents.

Moved, seconded and carried to approve the Annual Plan allowing staff to meet the deadline for submission to HUD, after appropriate clean-up/editing of the documents (Cox, Gale; Abstain: None Absent: Hunt)

- B. Abolishing the Write-Off Policy adopted in April 2008, and Adopting a new Write-Off Policy with Stronger Internal Controls.

Item tabled to next meeting.

- C. Authorizing the Executive Director to amend the March 23, 2009 contract with EJP Consulting, LLC for a Strategic Plan, to provide further analyses and presentations of

the four post-Public Housing Ownership options, including the six issues identified in Exhibit A, and extending the term through June 30, 2010, on a time and materials basis, not to exceed \$7,500.

Considerable discussion about the importance of the workshop and the information to be presented by the consultant. Chairperson Norris acknowledged the tremendous amount of time EJP has provided BHA under its initial "fixed-cost" contract. Critical that Board members receive written materials to review in sufficient time prior to the Workshop. **Moved, seconded and carried** authorizing the Executive Director to execute the appropriate document to provide for the service (Gale, Agostino; Abstain: None Absent: Hunt).

- D. Authorizing the Executive Director to execute Phase 2 of the contract with Overland, Pacific and Cutler for Relocation Services not to exceed \$167,000.

Board Chair noted that absent a relocation program, there is no disposition project; relocation benefits are an eligible CDBG activity, and she will follow up with the City about accessing part of the \$700,000 reservation for this critical contract. The matter was referred to the Finance Committee to explore financing options.

Item withdrawn by staff

- E. Amending the contract with Sterling Inspection Co. for inspection services in the Section 8, Low Income Public Housing and Rental Housing Construction Programs, by increasing the contract authority by \$24,000 for a total of \$219,350.

Considerable discussion about the increase in cost, term of contract, and plans for staff to perform required inspections. Staff reported on various causes for the large number of inspections including: 27% no show rate resulting in 2-3 inspection actions for each unit; issuance of new vouchers to families on the wait list; new project based voucher awards. Staff also advised efforts being undertaken to minimize number of repeat inspection attempts required. Staff apprised the Board of the limited firms providing HUD compliant inspection services, and how financially favorable Sterling's proposal was over the only other respondent to our last solicitation.

Moved, seconded and carried Cox, Agostino; Abstain: None; Absent: Hunt

8. Information

- A. Budget Report - Marjorie Cox, Chair, Finance Committee & Tia Ingram, Executive Director

Chair Cox provided a brief overview of the report and the financial status, including an update on the projected deficit for the current fiscal year; if City Housing Trust Fund application is fully funded, and staff continues current cost saving measures, and revenue projections remain accurate, will finish the year without a deficit. Early projections for next fiscal year, reflect a deficit in the area of \$500,000, primarily coming from the Section 8 and LIPH programs. Potential cost cutting measures were identified that will decrease the projected deficit by half. Critical that we begin discussions with the City Manager regarding possible financial assistance for BHA and with employee bargaining units around delayed implementation of COLAs and step increases. Staff was advised to review the level of effort for PHAs with similar size as BHA and ways to streamline the processes and procedures.

B. Memorandum of Agreement with HUD: April 15, 2010 Report – Tia Ingram, Executive Director

Executive Director referred to the March 24, 2010 letter to HUD regarding the MOA requirement to contract for management services in the LIPH program; staff hopes to receive an answer prior to the April 15th submission of the next quarterly report.

C. SEMAP Corrective Action Plan with HUD: Status Update – Tia Ingram, Executive Director

Executive Director referred to the February 2, 2010 letter to HUD transmitting the proposed Corrective Action Plan (CAP) required as part of the Confirmatory Review; no response from HUD to date.

D. Housing Authority Complaint Procedure

Report received. Board acknowledged it has no role in appeals, etc. Support staff position to respond to matters in accordance with established appeal rights in the program rules and regulations; to follow the established complaint procedure; and to apprise the Board appropriately.

9. Adjournment

Moved, seconded and carried to adjourn @ 8:25 p.m. (Cox, Gale Abstain: None Absent: Hunt).