



Berkeley Housing Authority

Item 5A

DRAFT MINUTES

BOARD OF THE BERKELEY HOUSING AUTHORITY

REGULAR MEETING

Thursday, December 13, 2012

North Berkeley Senior Center
1901 Hearst Avenue
Berkeley, CA 94709

6:00 p.m.

CAROLE NORRIS, CHAIR

VALERIE AGOSTINO
MARJORIE COX
ADOLPH MOODY

KATHARINE GALE
DOROTHY HUNT
RICHELIEU HEMPHILL

1. **Call to Order**
The meeting was called to order at 6:07 p.m.
2. **Roll Call**
Present Vice-Chair Cox, Commissioners Gale, Hemphill and Moody. Absent Chair Norris, Commissioners Agostino and Hunt.
3. **Comments from the Public**
No members of the public addressed the Board.

The meeting adjourned to closed session at 6:10 p.m.

If you need special assistance to participate in the meetings of the Berkeley Housing Authority's Board of Commissioners, please contact Rachel Gonzales-Levine, Reasonable Accommodation Coordinator, at (510) 981-5485, rgonzales-levine@ci.berkeley.ca.us or via California Relay Service (711). Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangement to ensure accessibility.



4A. **Closed Session**

Repositioning of Low Income Public Housing Units

Pursuant to Government Code Section 54956.8: Conference with real property negotiators regarding the price and terms of payment for the disposition of the Public Housing and Rental Housing Construction Program properties

Agency Negotiators: Tia Ingram, Eric Novak, Scott Jepsen, and Jennifer Bell.

Conference with Labor Negotiators pursuant to the California Government Code Section 54957.6 Designated representatives: Tia Ingram, Jennifer Bell, James Diamond. Employee Organization SEIU 1021.

Conference with Labor Negotiators pursuant to the California Government Code Section 54957.6 Designated representatives: Tia Ingram, Jennifer Bell, James Diamond. Employee Organization Local One.

The closed session concluded with no reportable actions, and the open session resumed at 6:45 p.m.

4. **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.

No written report was provided; oral highlights were provided (1) HUD reporting: (a) all indicators (annual recertification and annual unit inspection) at or above the 95% threshold; (b) lease up remains over 95% by budget authority, concern continues about number of assisted units (currently 1,793 of a possible 1,902); (c) need to focus attention on correcting discrepancies in data submitted to HUD (typically a discrepancy in a vital statistic for a family, or an income issue) by Dec 31st;

(2) HUD issues: (a) received approval of our Corrective Action Plan addressing the "0" points scored for HQS enforcement on the last SEMAP report; (b) HUD FSS program waiver expires in April 2013, BHA must submit plan for resuming operations and serving 37 households by April 19th;

(3) Operations: (a) reinstatement of Celinda Aguilar-Vasquez to Executive Assistant position, and hire of Omar Flores, Office Assistant I; (b) working with Goldfarb and Lipman to address labor contracts, including changes in retirement benefits necessitated by PEPRA – Public Employee Pension Reform Act; (c) emailed City Manager regarding need to formalize agreements regarding paid and in-kind services; (d) BHA office lease expires in December 2013; need to begin planning in earnest for long-term office needs; (e) relationship with local PHAs proving beneficial: obtained of hand-held computers for HQS inspections (significantly below cost), and collaboration on study of new Fair Market Rents (shared cost for comprehensive bay area wide study); (f) major projects next 30-60 days include union negotiations, administrative plan revisions, and FSS program design; (g) reminder office will be closed to public Friday Dec 21st through Tues, January 1st; (h) Executive Director will be attending Executive Director retreat Jan 24-26, 2013.

(4) Section 8: (a) productive meeting with representatives of Strawberry Creek Lodge; SAHA (Satellite-Affordable Housing Associates) has joined the project; we are awaiting documents/information requested during the meeting; (b) meeting with affordable housing developers in the City of Berkeley scheduled for Dec 18th to review proposed changes to BHA's Project Base Voucher program, including fee structure; (c) owner retention project critical to

preservation of S8 program, looking to identify cause(s) and what can be done to address same (i.e. the FMR study).

(5) BHA owned rental units. Rent collection at 98% for the year; 10 households have not paid December rent, received a 14-day notice, and will face eviction if rent is not paid; (b) notice of Section 3 job training/employment opportunity via Richmond Works mailed to all households; (c) results of 2-bedroom lottery mailed to all entrants, including specific units that will be reconfigured; (d) as required by ordinance, interest on security deposit has been returned to all residents (or applied to any outstanding balance).

5. **New Business**

A. Approval of Minutes: Special Meeting, November 13, 2012

It was moved/seconded (Hemphill/Moody, absent Norris, Agostino and Hunt) to approve the minutes as presented.

B. Finance Report: Period Ending October 31, 2012 - Val Agostino, Chair, Finance Committee & Jesy Yturalde, Finance Manager

Highlights were presented by Board and Finance Committee Vice-Chair Cox; no significant changes; staff is carefully monitoring expenditures; uncertainty remains regarding the Federal budget; Finance Committee will present a forecast of the FY13-14 budget at the January meeting.

C. Executive Director Compensation

It was moved/seconded (Hemphill/Gale, absent Norris, Agostino and Hunt) to provide the Executive Director a 3% salary increase retroactive to July 1, 2012 (the resolution reflects June 24, 2012, the beginning of the pay period).

D. Approve a resolution authorizing the Executive Director to enter into a five year extension of the existing Project-based Section 8 Master HAP Contract with Resources for Community Development for 18 units at Adeline Street Apartments for disabled families including 5 HOPWA units

Some discussion about the fact that only a five-year extension was requested by the project; staff advised project owner anticipates a major rehab in five years, which may result in a request for an additional extension. It was moved/seconded (Gale/Moody, absent Norris, Agostino and Hunt) to approve the extension.

E. Authorize the Executive Director to solicit volunteers from the LIPH and Section 8 Voucher Programs, and appoint up to five individuals to serve on the Resident Advisory Board (for the 2013 Annual Plan process)

It was moved/seconded (Moody/Hemphill, absent Norris, Agostino and Hunt) to authorize the Executive Director to proceed with appointments to the Resident Advisory Board, including provision of a \$15 stipend for meeting attendance.

F. 2013 Board of Commissioners Meeting Schedule

Report received.

G. Authorize the Executive Director to execute an extension of the term of the Disposition Development and Loan Agreement with "Berkeley 75 Housing Partners, L.P.", the Limited Partnership of the Related Company of California, that will hold title to the BHA 75 family rental units.

Brief discussion with (1) Chad Wakefield, Overland, Pacific and Cutler (OPC) regarding relocation activity, and the prospects of completing the mandatory relocations by March 2013, and (2) Don Lusty, The Related Company, regarding extension of the relocation contingency. Feasibility Committee "meeting doodle" has been issued for a meeting late January; a representative of the Finance Committee has been invited to attend. Clarified that action requested is an extension of the date for the relocation contingency in the schedule of performance, not an extension of the DDLA; resolution to be revised accordingly. It was moved/seconded (Gale/Hemphill, absent Norris, Agostino and Hunt) to authorize the extension.

- H. Authorize the Executive Director to execute the agreement and promissory note with the City of Berkeley for a \$300,000 Housing Trust Fund allocation.
Commissioner Gale expressed appreciation to Chairperson Norris and Executive Director Ingram for efforts to secure this critical financing from the City. Vice-Chair Cox commented on the importance of deferring the first draw to next Fiscal Year (FY) to avoid triggering interest expense for BHA this FY. It was moved/seconded (Moody/Hemphill, absent Norris, Agostino and Hunt) to execute the agreement and promissory note.

6. **Commissioners' Questions and Matters**

None

7. **Communications**

- A. Email from Satellite Housing (November 14, 2012)
- B. Letter to Landlord April Green (October 15, 2012)

9. **Adjournment**

The meeting adjourned by 7:30 p.m.

This agenda was posted on the doors of the Berkeley Housing Authority at 1901 Fairview Street, Berkeley, CA 94703; at North Berkeley Senior Center, 1901 Hearst Avenue, Berkeley, CA 94709; as well as the Berkeley Housing Authority website. The next Regular meeting of the Board is scheduled for Thursday, January 10, 2013 at 6:00 p.m. at the North Berkeley Senior Center.

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BOARD OF THE BERKELEY HOUSING AUTHORITY

REGULAR MEETING

Thursday, January 10, 2013

North Berkeley Senior Center
1901 Hearst Avenue
Berkeley, CA 94709

6:00 p.m.

CAROLE NORRIS, CHAIR

VALERIE AGOSTINO
MARJORIE COX
ADOLPH MOODY

KATHARINE GALE
DOROTHY HUNT
RICHELIEU HEMPHILL

1. **Call to Order**

The meeting was called to order at 6:04 p.m.

2. **Roll Call**

Present: Chair Norris, Commissioners Agostino, Gale, Moody and Hemphill.

Absent: Vice-Chair Cox and Commissioner Hunt

The meeting adjourned to Closed Session 6:08

3. **Comments from the Public**

Several members of the public were present, at the invitation of Satellite Affordable Housing and Associates (SAHA), in response to item 5.B on the Agenda, award of Section 8 Project Based Vouchers. At the request of Board Chair Norris, a limited number of individuals addressed the Board including Steven Karr, Mark Rogers and Saeda Khan (Strawberry Creek Lodge); Matt Lewis, Resources for Community Development (William Byron Rumford Plaza); Aubra Levine, SAHA, (Grayson St Apartments); Berkeley City Council member Max Anderson, Eve Stewart, Karl Laff, SAHA and three seniors (Harper Crossings).

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4A. **Closed Session**

Conference with Labor Negotiators pursuant to the California Government Code Section 54957.6 Designated representatives: Tia Ingram, Jennifer Bell, James Diamond. Employee Organization SEIU 1021.

Conference with Labor Negotiators pursuant to the California Government Code Section 54957.6 Designated representatives: Tia Ingram, Jennifer Bell, James Diamond. Employee Organization Local One.

The meeting reconvened at 6:25 p.m.; no action was taken during the Closed Session.

4B. **Report from the Executive Director**

Executive Director provided an oral report on significant developments during the prior month:

- 1) *HUD Reporting. (a) HUD system down, no reports available for November or December 2012; best estimate is that performance is at or above 95% for Annual Recertification; Annual Inspections; and lease-up (based on budget authority).*
- 2) *HUD Compliance: (a) submitted response to PHAs "substandard physical" rating; awaiting acknowledgement of receipt and response; (b) next quarterly report on MOA due Jan 15th.*
- 3) *Administration: (a) ongoing negotiations with two employee bargaining unions; (b) new vacancy-resignation of Housing Specialist; (c) after months of trouble shooting, appears we have resolved issues with the "handheld device" and can resume processing inspections electronically. (d) Jesy and Finance staff making progress towards completing implementation of the payroll/benefit management systems. (e) awaiting response from City on contract for inkind services and benefits, and \$300K HTF allocation.*
- 4) *Section 8: Alameda County Housing & Community Development is the lead agency for our appeal of the published HUD Fair Market Rents; they issued a RFP, and selected ICF for the project; Alameda County Behavioral Health Care Services is the lead agency and is paying the larger share of cost, with PHAs contributing much smaller portions. We are hopeful the results support an increase in Payment Standards, and address, in part, leasing challenges. We are resuming briefings and issuance of Vouchers to households on the S8 Tenant based wait list.*
- 5) *Public Housing. Occupancy continuing to decline; as of Jan 1st 49 occupied units; 5 moves imminent this month; one case referred to Attorney for termination (fraud); one case of potential domestic violence; staff working to facilitate and expedite rehousing of victim to S8 rental assistance. Rent collection at 92%, with 4 families subject to eviction if rent is not paid by Jan 23rd.*

5. **New Business**

A. Approval of Minutes: December 13, 2012

Absent a minimum of four Commissioners that were present at the December 13, 2012 meeting, this item was carried over to the next meeting.

B. Allocation of 54 Section 8 Project Based Vouchers

- a. Reinstatement of award of 23 Project Based Vouchers to Strawberry Creek Lodge, a senior housing development with studio and one bedroom units
- b. Award of 14 Project Based Vouchers to Resources for Community Development for the William Byron Rumford Sr. Plaza project, a family housing development, with one, two and three bedroom units
- c. Award of 17 Project Based Vouchers to Satellite Affordable Housing Associates, for the Grayson Street Apartments project, a developmentally disabled development, with one and two bedroom units

Executive Director Ingram provided introductory comments, including:

- 1) *The Board's two study sessions – which came about in response to a desire to better understand the program; a) to devise objective policies and procedures for awarding PB vouchers going forward, noting a prior "reactive" stance rather than a proactive strategy; b) minimize the impression that individuals (and segments of the community) can publicly lobby the Board to win awards; c) achieve a reasonable/equitable mix of units available for the different special needs categories; and d) establish a fee structure that will address the incremental cost to BHA administering the Project Based Voucher program.*
- 2) *Efforts by staff to engage the affordable housing development community in discussions about decisions the Board had reached in terms of future awards for Project Based Vouchers, and the unlikelihood that any further awards would be made for developments serving seniors or studio units.*
- 3) *General description of the 832 affordable rental housing units in the City of Berkeley exclusively for low income seniors (62 or older) including 126 Project Based Vouchers (counting Strawberry Creek Lodge), and 706 units at 8 other developments;*
- 4) *Challenges staff experience in facilitating the leasing of vacant units at senior only developments (wait list was opened in 2010 and again in 2012 to ensure an adequate pool of applicants); and*
- 5) *Rationale including an award for William Byron Rumford Plaza (to create a rehousing opportunity for displaced Public Housing residents) and Grayson St Apartments (to address a need for affordable housing for disabled households), a deviation from the prior Board consent to address the Strawberry Creek Lodge Project, but not award additional vouchers until the Administrative Plan is revised to address changes to the Project Based Voucher Program.*

The Board received emotional comments from seniors present (including disabled seniors) about the need for additional affordable housing for seniors; recognition that the City failed to move this project forward (or revise the project) over the past 6 years in spite of demands from HUD, and now City faces recapture of \$600K; testimony that SAHA is considering revenue from Project Based vouchers exclusively, and not via other financing schemes for the project; the possibility that the City could opt to sell the property, and thus foreclose the possibility that the site could be developed as affordable housing at a future date.

Chairperson Norris advised that staff would reconsider the recommendations for awards of Project Based Vouchers, with no guarantees that the recommendations would remain the same or be changed; Strawberry Creek Lodge, Resources for Community Development (RCD) and Satellite-Affordable Housing Associates (SAHA) consented to the Board not acting on the staff recommendation to award Vouchers, and await a revised staff recommendation at the February 2013 meeting. Chairperson Norris did not direct staff to change their recommendation but to take the testimonies presented into consideration. She directed staff to come back with recommendation for SCL, WBR, Grayson and Harpe).

C. Finance Report: Val Agostino, Chair, Finance Committee & Jesy Yturralde, Finance Manager

- a. Fiscal Year FY 2012-13: Period ending November 30, 2012
- b. Mid-Year Review: Fiscal Year 2013-14 Budget

No significant changes to report; a) uncertainty remains until the Federal budget is adopted, including critical decisions regarding Sequestration; b) timing of the disposition project is critical to BHA's financial stability; there are sufficient reserves to get through FY 2012-13 and FY 2013-14; however reserves will be depleted by the end of FY 2014, and; c) critical that we resolve negotiations with the two employee bargaining groups; meet with City to discuss issues related to the disposition and the agreement regarding services; continue to contain costs, and increase lease-up in the Section 8 program to generate maximum earned Administrative Fee.

6. **Commissioners' Questions and Matters**

None

7. **Communications**

John Bell, Advocate for Section 8 Participant Melanie Bell (December 13, 2012)
Received

8. **Adjournment**

The meeting adjourned at 8:05 p.m.

This agenda was posted on the doors of the Berkeley Housing Authority at 1901 Fairview Street, Berkeley, CA 94703; at North Berkeley Senior Center, 1901 Hearst Avenue, Berkeley, CA 94709; as well as the Berkeley Housing Authority website. The next Regular meeting of the Board is scheduled for Thursday, February 14, 2013 at 6:00 p.m. at the North Berkeley Senior Center.

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