



Berkeley Housing Authority

1901 Fairview St., Berkeley, CA 94703
Telephone: (510) 981 5470 Fax: (510) 981 5480


Office of the Executive Director

Item 5C

ACTION CALENDAR

November 10, 2010

To: Honorable Chairperson and
Members of the Berkeley Housing Authority Board

From:  Tia M. Ingram, Executive Director

Subject: Revising the 2010 Capital Fund Annual Statement to assign 100% of Capital Fund Grant (\$127,559) to Operations.

RECOMMENDATION

Approving a resolution revising the 2010 Capital Fund Annual Statement to assign 100% of Capital Fund Grant to Operations.

BACKGROUND

U.S. Department of Housing and Urban Development (HUD) rules allow Public Housing Authorities to use 20% of the annual Capital Fund allocation for operations, and an additional 10% for administration and 20% for management improvements. The remaining 50% must be used for capital improvements at the properties. BHA initially submitted the 2010 Annual Statement based on the aforementioned allocation.

Non-troubled PHA have the authority to utilize 100% of its capital fund for operations without any HUD approval. Troubled PHAs, however, utilize 100% of its capital fund for operation with approval from the Field Office.

Last year, HUD approved our request to use all unused capital fund monies from prior years for operations (in Fiscal Year 2009-10), including the portion restricted for capital improvements. This fiscal year (FY 2010-11), one of the proposed budget balancing measures was use of 100% of the 2010 capital fund for operations. By letter dated September 20, 2010 (Attachment 2) HUD approved our request, allowing us to transfer the \$63,799 in restricted capital fund previously budgeted for capital improvements to operations.

The final action is submission (and approval) of a revised Capital Fund Annual statement (which requires a Board resolution).

CONTACT PERSON

Jesy Yturralde, Finance Manager, 981-5488
Tia Ingram, Executive Director, Berkeley Housing Authority, 981-5471.

Attachments:

1. Resolution
2. HUD letter dated September 20, 2010

BERKELEY HOUSING AUTHORITY
RESOLUTION NO. _____

REVISING THE 2010 CAPITAL FUND ANNUAL STATEMENT TO ASSIGN 100% OF
CAPITAL FUND GRANT (\$127,559) TO OPERATIONS

WHEREAS, the Housing Authority receives a Capital Fund grant from the U.S. Department of Housing and Urban Development annually for the Low Income Public Housing Program; and

WHEREAS, program rules allow a Public Housing Authority to use 20% of the annual grant for operations, and an additional 10% of the annual grant for administration, and an additional 20% for management improvements, and the remaining 50% for capital improvements; and

WHEREAS, the Berkeley Housing Authority submitted the 2010 Annual Statement based on the above allocation; and

WHEREAS, one of the budget balancing measures for Fiscal Year 2010-2011 is to request the use of all 2010 Capital Funds for operations; and

WHEREAS, HUD approved our request to use 100% of the 2010 Capital Fund (\$127,559) for operations.

NOW THEREFORE, BE IT RESOLVED, that the Housing Authority Board authorizes the revision of the 2010 Capital Fund Annual Statement assigning 100% of Capital Fund grant in the amount of \$127,559 to operations.

The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on November 10, 2010 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Attest: _____
Tia M. Ingram, Secretary



U.S. Department of Housing and Urban Development
 San Francisco Regional Office - Region IX
 600 Harrison Street
 San Francisco, California 94107-1300
 www.hud.gov
 español.hud.gov

CITY OF BERKELEY
 HOUSING AUTHORITY

2010 SEP 22 PM 4: 20

SFP 20 2010

Ms. Tia Ingram
 Executive Director
 Berkeley Housing Authority
 Berkeley, CA 94703

SUBJECT: Use of Capital Funds for Operations
 Grant CA39P058501-10

Dear Ms. Ingram:

This is in response to the Berkeley Housing Authority's (BHA) letter dated July 27, 2010 requesting the Field Office to allow the Authority to use the FY 2010 Capital Funds in the amount of \$127,559 for operations.

The BHA has only one development consisting of 61 dwelling units. The project is scheduled for demolition/disposition. The Housing Authority (HA) is waiting for the Special Application Center's (SAC) approval of the demolition/disposition application. The Authority is about to begin relocating residents living in the development. The letter indicated that currently all units are in compliance of the Uniform Physical Condition Standards (UPCS). Additionally, the PHA scored 24 points out of 30 in PASS under the Public Housing Assessment System (PHAS) Indicator #1. The Authority is not ~~considering to use any additional funds for rehabilitation of the project.~~ Therefore, we hereby approve the BHA's request to allow the use of FY 2010 funds for operations.

If there are any questions regarding the above matter, please call me or Baljit S. Khosa, General Engineer, at (415) 489-6442.

Sincerely,

Stephen Schneller
 Director
 Office of Public Housing

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part II: Supporting Pages						Grant Type and Number		Federal FY of Grant: 2010	
PHA Name: BERKELEY HOUSING AUTHORITY						Capital Fund Program Grant No: CA39P058501-10			
						CFPP (Yes/ No):		Replacement Housing Factor Grant No:	
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work	
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²		

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
² To be completed for the Performance and Evaluation Report.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part III: Implementation Schedule for Capital Fund Financing Program

Federal FFY of Grant: 2010

Reasons for Revised Target Dates

Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
HA-Wide CA058	12/31/2010		06/30/2011		

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Annual Statement/Performance and Evaluation Report
Capital Fund Program, Capital Fund Program Replacement Housing Factor and
Capital Fund Financing Program

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Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Federal FFY of Grant:	Reasons for Revised Target Dates
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date		

1 Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.