



Berkeley Housing Authority

ITEM 7A

BOARD OF THE BERKELEY HOUSING AUTHORITY

DRAFT MINUTES SPECIAL MEETING

Tuesday, June 25, 2013
North Berkeley Senior Center
CLASSROOMS A & B
1901 Hearst Avenue
Berkeley, CA 94709

6:00 p.m.

CAROLE NORRIS, CHAIR

VALERIE AGOSTINO
MARJORIE COX
ADOLPH MOODY

DOROTHY HUNT
RICHELIEU HEMPHILL

1. **Call to Order**

The meeting was called to order at 6:05 p.m.

2. **Roll Call**

Present: Chairperson Norris; Commissioners Agostino, Hemphill, Moody (Commissioner Hunt arrived at 6:16 p.m., during the Executive Director's report); Commissioner Cox absent with advance notice.

3. **Comments from the Public**

No members of the public were present.

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.



4. **Report from the Executive Director**

- 1) HUD: (a) Performance in all areas in the monthly reporting (50058 submissions) are at or above standard for the Section 8 Voucher and Public Housing programs; (b) received three year waiver for FSS program implementation; (c) Sequestration: BHA not eligible for set-aside funding under Category 1 (Prevention of Terminations...); staff is seeking confirmation from HUD that we can reinstate the 11 vouchers we rescinded (suspended) and resume absorbing incoming vouchers. BHA may be eligible for increased funding under Category 2A (Unforeseen circumstances) – in response to some delayed portability billings from OHA; these billings are not expected to impact current assisted tenancies; staff has submitted a request for additional funding; (d) the Annual Contributions Contract (ACC) for the last 25 of the 60 replacement vouchers has been received; the increase is effective July 1, 2013.
- 2) 3x3 Committee Meeting May 23rd. Discussion centered on (a) Disposition project (relocation activity; project schedule); (b) Sequestration (possible BHA-COB collaboration to minimize reduction in funding/ impact on assisted households); (c) S8 owner retention (inability of an owner to “opt-out” of the HAP contract).
- 3) Funding Allocation (HAP and Admin. Fee) Analysis. Ongoing effort to review all assistance, and ensure minimum amount of assistance is being provided to each assisted household so that maximum numbers can be served; shared concern about households (especially those headed by advanced age seniors) that are over-housed, and thus subject to significant increase in tenant rent as owners adjust rents in response to market conditions.
- 4) Owner Retention. No significant improvement in “unit listing report”; ongoing efforts to identify new units including concept of a “finders fee” for new referrals; Executive Director continuing to work with Berkeley Property Owners Association (BPOA), and will attend a future meeting [as requested, will forward a copy of the BPOA July Newsletter to full Board].
- 5) Project-based Program Monitoring. Initiating monitoring activity for the 15 developments with Project based assistance; monitoring includes obtaining information about mandatory and voluntary services and a site visit.
- 6) BHA Office Space. Staff has engaged in preliminary discussions with a Commercial Real Estate Broker to help identify comps and suitable office space, and to assist with lease negotiations (current space or new location). Initial proposal from City (1947 Center St) was \$2.58 (full service) per square foot; Broker comps suggest \$1.50 for downtown office space (full service lease). Staff is preparing a counter offer for the City to consider.
- 7) Labor negotiations. No agreement with SEIU 1021 or Local One.
- 8) Housing Trust Fund. Amy Davidson has been a tremendous asset in processing claims; balance stands at approximately \$7,000.
- 9) REAC inspections. We have been advised of REAC inspections of our public housing units. We anticipate a sub-par grade once again, as the modernization activities identified last year have not been undertaken, and will not be undertaken – until they are performed by the new ownership entity in calendar year 2014.
- 10) BHA Resident Relocations. OPC and Surlene Grant continue to work with Public Housing residents that are transitioning to privately owned units; we experience 2-3 moves per month, and other changes in household composition that impact the number of households that need a one or two bedroom unit to be adequately housed.

5. New Business

A. Approval of Minutes May 9, 2013 – Regular Meeting

B. Approval of Minutes May 23, 2013 – Special Meeting

It was moved/seconded (Moody/Hunt; Cox absent) to approve the minutes of the May 9th and May 23rd meetings as submitted.

C. Approve three resolutions affirming certain actions with regard to the Public Housing Disposition project, and the new ownership entity, Berkeley 75 Housing Partners, L.P.

Brief discussion about the three resolutions: assignment of the Project based vouchers to the new ownership entity and extension of the schedule of performance in the DDLA required for the July 2013 Tax Credit application; affirmation of BHA's commitment to the project is proposed in response to an earlier concern that HUD might not allow disposition proceeds to be used for operating expenses in the S8 program. All three resolutions were moved/seconded (Agostino/Hunt; Cox absent) and approved.

D. Approve a resolution authorizing submission of the Section Eight Management Assessment Program (SEMAP) certification for Fiscal Year ending June 30, 2013

Certification, including Board resolution due to HUD by August 29; preliminary scoring based on data in HUD systems and quality control review of case files (from first six months of the FY) suggest staff will certify High Performer; final score cannot be determined pending final scores in HUD system, and completion of quality control review. Resolution was moved/seconded (Moody/Agostino, Cox absent) and approved.

E. Finance Report: Period ending May 31, 2013

Val Agostino, Chair, Finance Committee & Jesy Yturralde, Finance Manager

No significant changes to report; one variance change (favorable) resulting from calculation of actual (not estimated) benefit accruals; anticipate year ending deficit of approximately \$420,000. Report received.

F. Adoption of Budget for Fiscal Year 2013-14

Proposed budget includes a combined (all programs) deficit of approximately \$700,000. Critical assumptions include: (a) 75 units of Public housing transfer to new ownership entity (Dec 2013) ending BHA's Public Housing Program; (b) projected cash proceeds approximately \$3.962 million; (c) staff cost: no COLA, no salary increases, step increases only to new employees not at the top step, any new hire will be at 1st or 2nd step; elimination of one FTE property manager (public housing only) beginning January 1, 2014; leave vacant the Housing Specialist position vacated in January 2013; and authorized one new (restoration) FTE – Housing Occupancy Manager position; (d) Office rent assumes no relocation, and no reduction in rental rate.*

For FY 2014-15, deficits continue, but assuming proceeds are at least \$3.962 mil, can be covered. Estimate proceeds and residual cash payments will sustain BHA for 10 years. Need to begin developing a plan for funding operations beginning year 11. Suggestion to convene a workshop in October/November after decision on Tax Credit application is known, and proceed amount is confirmed.

It was moved/seconded (Hunt/Agostino, Cox absent) to adopt the FY 2013-14 budget.

6. Commissioners' Questions and Matters

Chairperson Norris announced a potential candidate to fill the position on the Board vacated by Katharine Gale in February 2013.

Reminder of change in date of July meeting: July 11th cancelled, meeting rescheduled for July 18, 2013.

7. Communications

8. Closed Session

No closed session was convened.

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.

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.

9. Adjournment

It was moved/seconded to adjourn the meeting at 7:08 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, July 18, 2013 at 6:00 p.m. at the North Berkeley Senior Center.
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