



Berkeley Housing Authority

Item 5Aa

DRAFT MINUTES  
BOARD OF THE BERKELEY HOUSING AUTHORITY  
SPECIAL MEETING

Friday, February 6, 2015

Berkeley Housing Authority Office  
1936 University Ave, Suite 150  
Berkeley, CA 94704  
8:30 a.m.

CAROLE NORRIS, CHAIR

VALERIE AGOSTINO  
MARVA CREMER  
DANIEL ROSSI

MARJORIE COX  
ADOLPH MOODY  
GERRIS WILKINSON

1. **Call to Order**

*The meeting was called to order at 8:48 a.m.*

2. **Roll Call**

*Present: Chairperson Norris; Commissioners Agostino, Cox, Cremer, Moody, Rossi.  
Commissioner Wilkinson arrived at 10:26*

3. **Comments from the Public**

*No members of the public were present*

4. **Study Session**

*Ana Cortez, Consultant (Center for Collaborative Policy) facilitated an initial discussion of BHA's strategic planning efforts. The presentation included a powerpoint prepared by CCP (Cortez and lead Facilitator, Surlene Grant), and one prepared by staff, providing an overview of operations. Retreat notes (excerpts attached) detail follow up actions, next steps, and assignments for CCP, BHA's Executive Director and/or staff, and individual Commissioners.*

5. **Adjournment**

*The meeting adjourned at 1:05 p.m.*

This meeting is held in a wheelchair accessible location. 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](mailto: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. Please refrain from wearing scented products at the meeting, as attendees may be sensitive to various scents in products and materials, whether natural or manufactured.



## **FUNDING (staff presentation)**

Commission members asked for an overview of sources of income. Staff provided the following information:

- ❖ Income comes from HUD and from disposition proceeds.
- ❖ Not all income is used for operations as it is restricted to specific uses.

BHA is a voucher only PHA- the only HUD funded activity it executes is managing S8 vouchers. For this reason:

1. HUD provides a yearly GRANT allocation of RESTRICTED Housing Assistance Payments (HAP). These funds go directly to landlords for housing payments. The size of the HAP grant is based on the HAP report from the previous year.
2. HUD provides an ADMIN FEE which is an EARNED reservation based on the number of contracted units (leased up). These funds may be used for operations, salaries, overhead and all other program delivery/coordination activities. The formula is the number of units times admin rate times proration. Current proration is 73%. Congress sets the admin rate. HUD sets voucher amount and BHA subsidy amount.

BHA disposed of its housing units in 2014. This created proceeds of 2.9M and residual of 11M (anticipated) for the next 30 years. For this reason:

1. BHA has asked for HUD approval to use proceeds for office relocation. 2.7M for operations subject to annual HUD approval. Currently HUD has approved 600K for FY 14-15 for admin support.
2. BHA needs clarification if these funds are not used, can they be rolled over?

## ORGANIZATIONAL NEXT STEPS

The BHA Commission outlined four strategic discussion that should take place in 2015:

1. Set time during Commission meetings for program evaluation and evaluation of marketing and Lease Up strategy. See strategy below.
2. Articulate and adopt a clear role as advocate for low income housing
3. Articulate the different roles for staff and Commission
4. Finance Committee  
In February or March, discuss HUD/HCD strategy for disposition proceeds.

### LEASE UP STRATEGY- (staff presentation)

**Problem:** our payments are below market rate and thus landlords do not want S8 households. Landlords perceive S8 to be bad business.

**Goal:** BHA wishes to provide a more competitive compensation for landlords and to promote the program for new landlords.

**Strategy: Increase payment to compete with fair market rate.**

**Task:** Request HUD to approve 120% of fair market rate effective immediately.

**Lead:** Staff

**Strategy: Develop and execute a marketing plan**

**Task:** Identify potential S8 landlords through Rent Commission and other City sources.

**Lead:** Commission

**Task:** Reach out to landlords when a unit turns over

**Lead:** Commission

**Task:** Develop communications strategy to educate potential partners

**Lead:** Academic partner

**Task:** Partner with UCB or USF to produce a market analysis that can guide communications plan

**Lead:** Commissioner Jarris

# STRATEGIC GOALS

Commission and staff examined three possible directions that evolved from the SWOT analysis and from the presentations earlier in the day. These options included:

1. Continue operating until the disposition proceeds run out. The period that can be supported by proceeds will depend on staffing levels.
2. Merge with another similar agency such as a public housing authority or city department.
3. Stay open and revamp activities to diversify funding from solely reliance on HUD/S8 income.

After discussing these options, Commission and Staff agreed that for the next year, it would pursue option 3 and revamp activities to diversity funding. The Commission agreed that further development was necessary to better evaluate this option. The Commission agreed to create a committee that would be Commission led and that may include staff and subject matter experts as needed.

The Commission articulated the following next steps:

1. Executive Director would submit to finance committee a recommended staffing level reflective of FTE's needed to provide current level of service and additional strategic work and functions. The staffing levels would address promotion ladders, lack of housing occupancy manager, need for more housing specialists and depth by classification. This staffing plan would evaluate each position according to desired impact – not historical existence. **When?**
2. Executive Director would submit to finance committee a recommended budget for 2015-2016 reflective of recommended staffing patterns. **When?**
3. Commissioners Norris and Rossi would meet with City representatives to discuss:  
**When?**
  - ❖ Adoption of a \$10 per voucher general fund contribution (which leverages 22.8M annually to Berkeley's economy)
  - ❖ Inclusionary ordinance and how to increase number of section 8 units in downtown development and opportunities to convert private units to S8
  - ❖ Integration of S8 in other city programs and pipeline projects
  - ❖ Greater coordination among housing-focused city offices to create synergies, leverage funding and more effectively serve low income house holds
  - ❖ Feasibility to create set aside benefits directed to the BHA
  - ❖ Setting a percentage share of developer fee as contribution to S8 project based voucher development program
  - ❖ Implementing initiative that ties BMR units to S8

4. Commissioner Jarris will explore partnerships with UCB and USF to pursue research projects such as a market analysis and communications strategy. **When?**
5. The Commission created a Strategic Design Committee (SDC) which included these members:  
Commissioners Agostino, Rossi, Moody. The SDC would be supported by one staff member and would invite experts as needed.
6. SDC would investigate potential voucher programs like HOME's TBRA and VASH and to determine feasibility of incorporating these activities into BHA. **When?**
7. SDC would investigate project based voucher development with private partners (not nonprofits). **When?**
8. SCD would explore non-HUD funding opportunities and determine feasibility and fit with BHA. **When?**
9. Staff articulated the following next steps: **When?**
  - ❖ Staff would identify services that can be marketed to municipalities/housing organizations and develop a list of potential contracts.
  - ❖ Staff would engage other PHA's to explore a regional role for BHA.
  - ❖ Staff would identify the best strategy for developing developer capacity.
  - ❖ Staff would present an analysis of the value of creating a non profit arm to the BHA.