



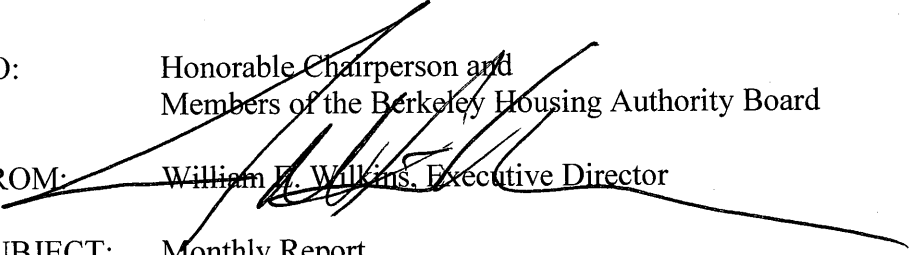
Berkeley Housing Authority

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Office of the Executive Director

Item 6A
NEW BUSINESS
September 13, 2018

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

FROM:  William E. Wilkins, Executive Director

SUBJECT: Monthly Report

Development Planning Consultant Selection

In July the RFP review committee, comprised of Chairperson Norris, Executive Director Wilkins, Celinda Aguilar-Vasquez (FSS Coordinator/Admin. Assistant), Jesy Yturralde (Finance Manager), and Rachel Gonzales-Levine (Management Analyst), met with both responding consultancy firms for in depth interviews. Based on the proposal scoring of the review committee and interviews, the selected firm is LeSar Development Consultants.

With expertise in housing authority development, project financing, and public/private/non-profit partnerships, the review committee is confident that LeSar will provide a range of options for the Board to consider in terms of moving BHA in the direction of establishing long-term housing opportunities for low income households in Berkeley, whether acquisition/rehab or new development.

The main points of contact for the contract with LeSar will be: Ophelia Basgal, whose career includes 27 years as Executive Director of the Alameda County Housing Authority and 5 years as the Regional Administrator for HUD Region IX and Liz Tracey with over 20 years in housing and community development finance, including Senior Vice President at the Low Income Investment Fund.

SEMAP Submission

The annual Section 8 Management Assessment Program (SEMAP) submission was completed and sent to HUD electronically on August 24, 2018. As you are aware, each housing authority across the nation is required to conduct random quality control checks for 14 different indicators as well as a “De-concentration of Poverty Bonus.” Below is a chart pertaining to how many points BHA has certified for each indicator, based on the quality control checks, file reviews, and analysis. Based on these numbers, it appears BHA will be a high performing housing authority once again.

SEMAP Points Tracking

Indic.	Topic	Max. # Possible Points	2017-18 Self-Scoring Estimate
1	Selection from Waitlist	15	15
2	Reasonable Rent	20	20
3	Determination of Adjusted Income	20	20
4	Utility Allowance Schedule	5	5
5	HQS Quality Control Inspections	5	5
6	HQS Enforcement	10	10
7	Expanding Housing Opportunities	5	5
8	Payment Standards	5	5
9	Annual Reexams	10	10
10	Correct Tenant Rent Calculations	5	5
11	Precontract HQS Inspections	5	5
12	Annual HQS Inspections	10	10
13	Lease Up	20	20
14	FSS	10	8
15	De-concentration Bonus	5	5
TOTAL POSSIBLE POINTS		150	148
Percentages = SEMAP SCORE			99%

SEMAP Rating	
High	90% +
Standard	60 - 89%
Troubled	<60%

Below is the tally regarding the “De-concentration of Poverty Bonus Indicator,” as requested by the Board:

Census Tract	# of	Pov Rate	Above 20%	# Units Above 20%	# Units Below 20%
4215	1	4			1
4216	1	4			1
4218	4	7.7			4
4219	3	8			3
4220	20	13.1			20
4221	21	16.8			21
4222	25	16.1			25
4223	4	14.7			4
4224	9	30.1	X	9	
4228	1	62.1	X	1	
4229	19	42.3	X	19	
4230	13	15.3			13
4231	31	11.4			31
4232	31	18.6			31
4233	33	18.4			33
4234	31	19.4			31
4235	11	27.3	X	11	
4237	1	23.6	X	1	
4238	1	4.6			1
Census Tract	# of	Pov Rate	Above 20%	# Units Above 20%	# Units Below 20%

4239.01	7	16.9			7
4240.01	55	21.4	X	55	
4240.02	40	28	X	40	
TOTALS	362			136	226

Calculations for Deconcentration Bonus

Poverty Rate from 2000 Census = **20%**

families w/children in low poverty census tracts at or below the overall poverty rate for the PHA = **226**

Total S8 families with children at end of last FY = **362**

% of all S8 Families with children residing in low poverty census tracts (**226 divided by 362**) = **62%**

Is the Percentage = to 50% or More? **Yes**

Mainstream Voucher Award

BHA was notified in early September that we were awarded 40 *Mainstream Vouchers* via a new funding opportunity to house disabled/homeless individuals. As you are aware, BHA partnered with the City of Berkeley Homeless Services/Homeless Hub and the Center for Independent Living (CIL) to apply for these vouchers, serving those moving from the streets/shelters or care facilities into a home subsidized with Section 8 assistance. We look forward to our partnership with these entities and the new allocation of funding for these 40 new vouchers which will not be required to be “on hold” as per our shortfall status guidelines for our existing voucher allotment.

VASH Award

In August, BHA was also awarded 15 VASH (Veterans Administration Supportive Housing) vouchers, in addition to the 5 received last fiscal year. Staff will be meeting with local VA staff, who provide case management services to the veterans, including location of a landlord/unit, counseling support, and health care. Interestingly, most of the 5 VASH voucher recipients from the prior fiscal year have opted to port out of Berkeley’s jurisdiction for various reasons including family and support structures already based in another community.

HUD Fair Market Rents (FMR) Released

Annually in August or September, HUD releases FMRs for communities across the nation, based on rental costs, looking retrospectively over the past three years. Housing authorities establish Payment Standards (the maximum allowable for units, per bedroom size) between 90% - 110% of the FMRs. The newly released FMRs appear to be significantly below the most recently approved FMRs for our “metro area” which is Oakland-Fremont, and governs FMRs for housing authorities in Alameda and Contra Costa counties. Staff will be analyzing the FMRs and impacts on our ability to both attract/retain landlords to the Section 8 program and “stretch” our HAP budget, and will return at the October meeting with a recommendation on where to set the new Payment Standards.

Finance Report

Public Housing Authorities are required to submit an Unaudited Financial Report to HUD’s on-line Real Estate Assessment Center (REAC) 60 days from the end of the Fiscal Year; and an Audited Financial Report nine months after the end of the fiscal year. On August 20, 2018, we submitted our Unaudited Financial Report that reflected a deficit of \$175,701. (Attachment 1) This deficit, however, included depreciation and interest income from a Note from Berkeley⁷⁵ that has the same use restriction as the proceeds from disposition. Backing out interest income and depreciation would result in a deficit of approximately \$459,463, an increase of

approximately \$79,460 from the finance report presented at the last meeting. As required by GASB 68, the report included pension expense of \$166,000 due to an increase in BHA's proportionate share in Net Pension Liability resulting from a lower than anticipated discount rate.

The projected deficit does not include any year-end adjustments from Auditors and impact of GASB 74 and 75 that require agencies to recognize the actual liability on Other Post-Employment Benefits (OPEB), such as BHA's Retiree Medical Plan. A final report will be presented to the Board upon completion of the Audit Report.

August 2018 BHA Dashboard Report:

		Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18
A	Utilization (%)	80.78%	80.26%	80.05%	79.89%	80.10%	80.26%	79.28%	78.97%
	(Units)	1563/1935	1553/1935	1549/1935	1550/1940	1554/1940	1553/1940	1538/1940	1532/1940
	Tenant Based %	78.47%	77.74%	77.56%	77.51%	77.75%	77.63%	76.84%	76.48%
	(Units)	1294	1282	1279	1282	1286	1284	1271	1265
	Project Based%	94.06%	94.76%	94.41%	93.71%	93.71%	94.06%	93.71%	93.36%
	(Units)	269	271	270	268	268	269	267	267
B	Utilization (\$)	101.00%	100.00%	94.00%	107.00%	100.00%	97.00%	104.00%	105.00%
C	Mod Rehab %	95.92%	96.94%	97.96%	97.96%	95.92%	94.90%	95.92%	95.92%
	(Units)	94/98	95/98	96/98	96/98	94/98	93/98	94/98	94/98
D	Project Move Up	9/10	9/10	9/10	9/10	9/10	9/10	9/10	9/10
E	FSS	37 (23 enrolled, 5 pending, 9 dropped out)	37 (24 enrolled, 4 pending, 9 dropped out)	37 (24 enrolled, 3 pending, 10 dropped out)	37 (24 enrolled, 2 pending, 11 dropped out)	37 (24 enrolled, 2 pending, 11 dropped out)	37 (23 enrolled, 2 pending, 13 dropped out, 1 Terminated)	37 (23 enrolled, 13 pending, 1 deceased)	37 (23 enrolled, 14 pending)
F	Port In	5	0	3	6	3	3	3	3
	Port Outs	9	1	8	6	8	11	2	1
H	Late/Missing Annual Recert	8	1	11		7	8	6	8
I	Late HQS	0	2	1		5	11	9	5
J	Rent Increases - Received	17	2	5	15	12	8	20	19
	Rent Increases - Processed	27	15	28	15	29	18	20	19
K	Re-exams - Processed	319	157	273	216	222	107	200	217
L	New Landlords/Unit	1	0	1	0	0	1	0	0
O	New Admissions	0	0	2		2	5	3	1
P	Terminations	9	7	8	12	9	8	7	1
Q	# of disabled in program	915	917	914	912	902	900	900	901
	# of elderly in program	680	687	689	686	685	684	686	688
	# of families in program	479	472	467	465	458	453	448	445
	# of eman. yth in prog	5	5	5	5	5	5	5	5
	# of HOPWA in program	7	7	7	7	7	7	7	7
R	# of Families on WL	2492	2484	1856	1756	1714	1694	1689	1679
S	Success Rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A