



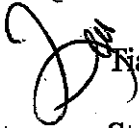
Berkeley Housing Authority

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

Office of the Executive Director

Item 4

MEMORANDUM

Date: March 8, 2012
To: Honorable Chairperson and
Members of the Berkeley Housing Authority Board
From:  Nia M. Ingram, Executive Director
Subject: Status of Berkeley Housing Authority Operations

This report summarizes the highlights of our current activities:

I. ADMINISTRATIVE

1. HUD Reporting:

	Sept	Oct	Nov	Dec	Jan '12	Feb
50058 Reporting (requires min of 95%)	100%	100.06%	100.65%	101.06%	100.12%	
Utilization (assisted households)	1,753	1,747	1,747	1,754	1,761	
Late Annual Recertification	11	7	9	17	38	
Late HQS Inspections	19	38	36	29	22	
Port Outs	53	56	59	64	64	
Port Ins	2	3	3	4	5	

The HUD system that reports scores for the various indicators is updated on the weekend following the end of the month. Scores for February will not be available until Monday, March 5, 2012. We don't anticipate any major changes in the scores, and will report orally at the March 8th meeting.

2. Public Housing Assessment System (PHAS). We received official notice that our Public Housing Program is designated "troubled" for FY 2012. We scored poorly in two indicators: a) **Physical** – where we scored 22 of 40 possible points. You may recall I alerted the Board of this anticipated declaration (October, 2011) following the September 2011 REAC inspections performed by a HUD designated contract inspector, during which points were removed for such items as: uneven driveway asphalt at two units, causing a trip hazard; leaning fencing; ground erosion; and several bathroom fixture issues.

b) **Management**, when we scored 2 of a maximum 25 possible points. This appears to be a possible material error on HUD's part, because as staff understands, BHA was exempt from reporting the Management Indicator of PHAS. Though BHA substantially managed the requirements under this indicator, such as security, rent collection, vacancy rate, turnaround time, and economic self-sufficiency, we did not submit (in fact the HUD system had even "grayed" out the entry boxes for these figures, not allowing us to enter any data here when we submitted for the other indicators we required to do). We have 30 days to appeal and will submit the appeal based on the fact that we were standard performer the prior year, exempting BHA from submitting entries in this Management indicator.

II. Operations.

1. Insurance Award. Berkeley Housing Authority has Property Liability/Workers Compensation insurance coverage via our participation in the Special District Risk Management Authority (SDRMA). We were recently advised that our loss record (no claims) over the past four years resulted in our participation in the annual distribution of dividends – and receipt of \$169 in agency income (Attachment 1).
2. Affordable Housing World. We were contacted by Xiulian Ma, Assistant Professor, Department of Social and Cultural Studies, Chinese Academy of Governance – to share information about affordable housing in the City of Berkeley. Ms. Ma has a particular interest in how our Section 8 and Public Housing Programs operate; who they serve; and what we perceive as the best model for developing rental housing units. It is refreshing to participate in such events, as it speaks to the credibility we have earned as a result of the governance of the Board, and the efforts of the staff. We look forward to receipt of a copy of her report, which will be shared with the full Board.
3. Record Retention. We were fortunate to have to have youth work interns from January 9 through February 23, who were tremendous help to the BHA in cleaning our tenant files of long terminated participant documents and assisting staff in setting up our own storage system in the office. This activity is in line with our goal to terminate our storage contract/expense.
4. Ergonomic Assessment. As noted above, we have an excellent loss record for Workers Comp claims. Our employees are our most valued resource, and to that end, we have arranged for an ergonomic assessment of our common areas in our office and every work station. The assessment will be provided free of charge, as part of our insurance coverage.

II. SECTION 8 PROGRAMS

1. S8 Project Based Voucher Assistance. There is renewed talk about interest in receiving an allocation of Project Based Vouchers for existing and new construction housing projects in the City.
 - a. ~~The City of Berkeley issued a Request for Proposals, for funding for rental housing projects at 3135 Harper Street (a city owned lot). We have been advised that the potential applicants may seek an allocation of Project Based Vouchers as a part of the funding plan;~~

These two examples are shared to illustrate the special needs of some of our disabled clients, and to document why we believe the services we provide beyond the required annual recertification and unit inspections are critical.

III. AUTHORITY OWNED HOUSING

1. Occupancy. There was no change in our occupancy rate from the prior month. We still have 63 occupied units, compared to the 65 units that were occupied in December 2010 when HUD approved the disposition application, at which time BHA was prohibited from leasing any units. It is important to note that BHA has not required any household to vacate because of the repositioning project.
2. Rent Collection. Rent collection for the month of February was 98% (LIPH) and 100% (RHCP) for rent paying families, with 96% (LIPH) and 99% (RHCP) of families current for the Fiscal Year-to-Date. We currently have one family on "flat" (versus income based) rent, and 13 families that pay \$0 rent, and receive a monthly utility reimbursement payment.
3. Maintenance Services. Our contractor continues to report on-time (or better) response to all routine maintenance requests. We have had a very mild winter, with no reported major incidents/damage from wind or rain. With a declining number of occupied units we anticipate a reduction in routine maintenance costs.

Number Requests	Average Response Time	Monthly Billing
48 (October 2011)	5 days	\$14,998.97
26 (November 2011)	5 days	\$14,967.16
50 (December 2011)	5 days	\$14,390.04
33 (January 2012)	5 days	\$10,552.79

Last month we reported two unsatisfied accounts, where residents had failed to pay the maintenance charge assessed for activities to correct tenant abuse and/or accidental tenant caused damage. I am pleased to report that regular monthly payments are being made on both accounts.

Once again we have begun receiving reports of problems with rodents at the Ward St. location. We have increased service by Western Extermination. Bait stations have been installed at 7 locations on the block; 2 individual units have been treated; and we are continuing weekly monitoring of the site.

We have contacted, and are working with Berkeley Unified School District (BUSD) Maintenance staff to have them address the problem, a large grass field associated with the school adjacent to the site. BUSD is reporting to us no increased rodent activity in the area and will contact us if they notice any change. The community garden, a public housing resident project, located at 1903 Ward may have been the source of the increased rodent activity and has since been cleaned out.

4. Repositioning Project. Four important developments from the prior month:
 - a. Housing Advisory Commission (HAC). The February 2, 2012 HAC agenda included an item seeking an update on the repositioning project. Tia Ingram, Executive Director and Lydia Tan (Related Co.) attended. The presentation was

- b. We were contacted by Resources for Community Development (RCD) regarding a possible allocation of Project Based Vouchers for the Byron Rumford Plaza (rehabilitation) project.

A large amount of staff time is required to complete the cycle for an award of Project Based vouchers – through and including obtaining all the HUD approvals, executing the contracts, inspecting the units, certifying families for S8 assistance, and initiating payments to the project. Note, staff is still engaged with projects that were awarded Project Based Vouchers in April 2011, but are yet to house any family with the assistance, due to the requirements that precede the signing of an Agreement to Enter into a HAP Agreement (AHAP) (such as environmental and subsidy layering reviews) which all must occur prior to the start of rehabilitation. Given the current demands on staff, including the critical repositioning project, we recommend that the Board not consider any awards at this time:

2. Special Case Management Services. Our Housing Specialist are responsible for processing approximately 150 annual recertifications each month (plus interim recertifications as requested). As noted by the Quadel Consultants, staff often goes beyond the baseline service level to ensure that the family is adequately housed, and that major lease concerns impacting the HAP contract are addressed.

- a. More than 4-Walls. We were alerted by our inspector that there was a hole in the floor, and that the family was residing in the unit without furniture, clothing, food or electricity. We acted immediately putting the owner on notice about the unit deficiency, and placing a hold on future rental subsidies. Unable to address the other challenges presented, we immediately contacted the City of Berkeley (Community Services, Police Department and Mental Health) for intervention assistance. Our “team” responded and confirmed our concerns. The family has been engaged regarding alternate housing options, mental health services, assistance with obtaining furniture and clothing, and access to hot and healthy food (Meals on Wheels). The situation is not yet resolved, but there is an effective plan in place to ensure our client receives the required services.

- b. Independent Living. The S8 program is designed to make housing affordable to individuals (and families) that can live independently. A recent experience occurred where a family moved into a unit, and within 3-days, had destroyed the unit, removing the doors from the refrigerator; the doors from the cabinets; and the light fixtures from the ceiling. Alarmed by the behavior, the owner contracted BHA with a desire to withdraw the contract. Our sense is the individual is gravely disabled and needs assistance to live independently. We engaged our team to make an assessment of the client, and to make the necessary introductions/connections for mental health services. The situation is not resolved but we have an owner who did the right thing in renting to a family with S8 assistance – and appreciates our extraordinary efforts to assist, and we have a real prospect that the family will soon get the services it needs to safely live in an independent situation. Ensuring that services are in place is critical to our ability to, in good faith, offer another landlord a HAP contract for the family. Additionally, it is possible that the landlord who originally housed the family may consider renting the unit to another family with S8 assistance, after witnessing BHA’s commitment to “get it right.”

- well received, with a few questions around the long-term affordability of the rental property, and the anticipated amount of time residents would be out of their homes for the rehabilitation work.
- b. Councilmember Max Anderson. On January 18, 2012 Staff met with Councilmember Anderson to provide a more detailed overview of the project, and to discuss concerns he heard expressed at a community meeting.
 - c. NAACP. On February 21, 2012 staff, Chairperson Norris, and Chad Wakefield, Overland, Pacific and Cutler (OPC) met with members of the NAACP to provide a detailed overview of the project, and to discuss specific concerns their members had relative to relocation benefits, and BHA's outreach efforts to residents.

Staff understands that some people have asserted that the disposition is subject to the Ellis Act. That is not, in fact, the case. The Ellis Act, at California Government Code Section 7060 through 7060.7, prevents a local entity from compelling the owner of any residential rental property to continue to offer the property for rent. However, the Act authorizes local government entities to establish certain requirements concerning the withdrawal from the residential rental market of accommodations subject to rent control. The City of Berkeley has enacted such requirements as allowed by the Ellis Act, which are set out in Chapter 13.77 of the Berkeley Municipal Code. These provisions are inapplicable to the BHA disposition because the DDLA does not remove the units from the rental market; it simply provides that the units will be conveyed to a new owner who is required to continue to operate them as residential rental housing.

- d. Housing Advisory Commission (HAC). The March 1, 2012 HAC agenda included an item requesting a \$300,000 General Fund allocation to BHA for predevelopment cost. A copy of the staff report is attached (Attachment 2).
- e. Ombudsman. Staff is sensitive to the fear and/or lack of trust that some residents have expressed, and to that end, are exploring expanding the "team" to include an Ombudsman who can liaison between residents, BHA, Related, and OPC around issues that arise during this next critical stage in the transition project, relocation efforts.
- f. Project Milestones. The DDLA, if executed this evening, will trigger a number of activities over the next 4-6 weeks including a letter to all residents, convening a series of group meetings (briefings) on the project; initiation of one-on-one interviews with current households; and possible issuance of Section 8 Vouchers and actual moves to other rental housing with Relocation benefits and Section 8 assistance (Attachment 3).

The applicable Rent Stabilization program adds a layer of complexity that makes it difficult for staff and residents to fully understand their re-housing options. To this end, staff is working closely with Overland, Pacific and Cutler (OPC) and Related to craft a document that lays out, in straight forward terms, the various options available and the implications of each decision.

5. Bad Debt Collection. Approximately one year ago we referred two bad debt accounts (prior residents) to collections. We learned recently that one account (\$1,900) has been settled for \$1,300; BHA will retain \$780. The agency is preparing to go to court on the other account (\$1,977).

CONTACT PERSON

Tia M. Ingram, Executive Director, (510) 981-5471

Attachments:

1. SDRMA Dividend Letter
2. HAC Meeting Agenda, March 1, 2012
3. BHA Disposition/Relocation Outreach Schedule

Special District Risk
Management Authority

Maximizing Protection.
Minimizing Risk.

1112 I Street, Suite 300
Sacramento, California 95814-2865
T 916.231.4141
T 800.537.7790
F 916.231.4111
www.sdrma.org



ATTACHMENT 1

February 6, 2012

Berkeley Housing Authority
Ms. Tia Ingram
Executive Director
1901 Fairview Street
Berkeley, California 94703

Dear Ms. Ingram,

On January 4, 2012, the SDRMA Board of Directors approved a longevity distribution for the third year in a row. The Longevity Distribution Policy was originally approved by the Board in 2010 to recognize and reward members for their loyalty and commitment to SDRMA programs. The policy is consistent with the goals and objectives of the Board's strategic business plan and helps ensure pool stability by rewarding members for remaining in our Property/Liability and Workers' Compensation programs.

There is no action required by your agency. Every member that has completed the 3 full program year initial commitment period for either the Property/Liability or Workers' Compensation program is eligible to receive the longevity distribution for that particular program. The longevity distribution may only be declared by the Board of Directors each year only after all Board policy reserve requirements have been met. The amount available for the longevity distribution is the amount of investment earnings on reserves above the Board approved confidence level for each program as of June 30. The distribution is weighted based on the member's length of time in that program and the amount of the member's annual contributions compared to the total contributions of all pool members.

This year, the Board approved a longevity distribution in the amount of \$316,084 for Property/Liability members and \$556,020 for Workers' Compensation members. For the Property/Liability program, the average length of membership is over 13 years with over 93% of members receiving the distribution and for the Workers' Compensation program, the average length of membership is over 10 years with over 90% of members receiving the distribution.

Congratulations! Since you have participated in our Property/Liability program for 4 years as of June 30, 2011, we are pleased to present your agency with a longevity distribution check in the amount of \$363.00! We hope that you will share this valuable news with your governing body (*to help prevent possible fraud, please do not include a copy of the actual check in your board packet!*).

In addition, we are pleased to provide a copy of the SDRMA 2010-11 Annual Report. The report highlights the strength of our programs, the diversity of our membership and the financial security of our pool as well as other important information!

Thank you for your participation and helping make SDRMA a premier risk management program! If you have any questions, please contact the SDRMA Finance Department at 800.537.7790 or 916.231.4141.

Sincerely,
Special District Risk Management Authority

David Aranda, President
Board of Directors



Invoice Number	Comment	Amount	Discount Amount	Net Amount
06302011 4150-000400	SDRMA Longevity Distribution Longevity Distribution	363.00	0.00	363.00
025605	2/6/2012 Berkeley Housing Authority		Check Total:	363.00

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER



Special District Risk Management Authority
1112 J Street, Suite 900
Sacramento, CA 95814
(916) 231-1121

River City Bank
2486 Natoma's Park Dr
Sacramento, CA 95833
PROPERTY/LIABILITY GENERAL ACCOUNT

025605

Date: 2/6/2012
Amount: *****363.00*

*THREE HUNDRED SIXTY-THREE AND XX/100

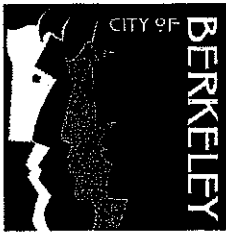
Two Signatures Required

Berkeley Housing Authority
1901 Fairview Street
Berkeley, CA 94703

Gregg Skell
E. D. Ferguson

SECURITY FEATURES INCLUDED. DETAILS ON BACK.

⑈025605⑈ ⑆121133416⑆0811090507⑈



Housing Advisory Commission

HOUSING ADVISORY COMMISSION

Regular Meeting
Thursday, March 1, 2012

Time: 7:00 p.m.

South Berkeley Senior Center
2939 Ellis Street – Berkeley
Secretary – Kathryn Hoover, (510) 981-5415

AGENDA

All agenda items are for Discussion and Possible Action.

Public Comment Policy: Members of the public may speak on any items on the Agenda and items not on the Agenda during the initial Public Comment period. Members of the public may also comment on any item listed on the agenda as the item is taken up. Members of the public may not speak more than once on any given item. The Chair may limit public comments to 3 minutes or less.

Item**PRELIMINARY MATTERS**

- 7:00**
1. Roll Call
 2. Agenda Approval
 3. Public Comment – Non-Agenda Items
 4. Minutes of the February 2, 2012 Meeting (Attachment A)
 5. Minutes of the February 9, 2012 Meeting (Attachment B)

UPDATES / ACTION ITEMS

- 7:15**
6. Housing Trust Fund Project Updates (Kathryn Hoover, Peter Armstrong)
 - Savo Island – Replacement Loan (Attachment C)
 - Berkeley Housing Authority – Predevelopment Loan (Attachment D)
- 7:35**
7. Review and Approve Final Draft of the PY2012 City of Berkeley Annual Action Plan (Attachment E) (Kristen Lee)
- 7:55**
8. Review and Approve Draft Emergency Solutions Grant (ESG) Substantial Amendment to the City of Berkeley's PY2011 Annual Action Plan (Attachment F) (Kristen Lee)
- 8:10**
9. Review and Approve Draft Revised Citizen Participation Plan (Attachment G) (Kristen Lee)

Item

- 8:15** 10. Appeal – 1248 Ashby
- Outline for HAC Appeal (5 minutes)
 - Witnesses will be heard only on the two items
- 8:35** 11. Condition of Building
- Building Official/ Appellant (10 minutes)
 - Witnesses – Electrician/Structural Engineer/Building Inspector (10 minutes)
- 9:00** 12. Extension of Time
- Appellant/Building Official (10 minutes)
 - Witnesses - Electrician/Structural Engineer/Building Inspector (10 minutes)
- 9:10** 13. Update on Legislative Items (State & Local) (10 minutes).
- Summary of Proposed Revisions to the HUD HOME Program Rule (Attachment H)
 - NPH Comments to Proposed HOME Program Rule (Attachment I)
- 9:20** 14. Announcements
15. Future Items
- 9:30** Adjourn

Attachments:

- A. Minutes of the February 2, 2012 Meeting
- B. Minutes of the February 9, 2012 Meeting
- C. Staff Report, Replacement Loan to Savo Island Cooperative Homes
- D. Staff Report, Predevelopment Loan to Berkeley Housing Authority
- E. Final Draft, PY2012 City of Berkeley Annual Action Plan
- F. Draft Emergency Solutions Grant (ESG) Substantial Amendment
- G. Draft Revised Citizen Participation Plan
- H. Goldfarb & Lipman, Summary of Proposed Revisions to the HUD HOME Program Rule
- I. NPH Comments to Proposed HOME Program Rule

Please refrain from wearing scented products to public meetings.



This meeting is being held in a wheelchair accessible location.

Written material may be viewed in advance of the meeting at the Housing Department, 2180 Milvia Street, 2nd Floor, during working hours or at the Berkeley Public Library, Shattuck/Kittredge Streets, during regular library hours at the Reference Desk. **Accommodations Provided Upon Request.** To request a disability-related accommodation(s) to participate in the meeting, including auxiliary aids or services, please contact the Disability Services specialist at 981-6342 (V) or 981-6345 (TDD) at least three business days before the meeting date. Providing at least three working days' notice will help to ensure availability at the meeting.

Communications to Berkeley boards, commissions or committees are public record and will become part of the City's electronic records, which are accessible through the City's website. **Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to a City board, commission or committee, will become part of the public record.** If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service or in person to the secretary of the relevant board, commission or committee. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the secretary to the relevant board, commission or committee for further information.

ATTACHMENT 3

**Berkeley Scattered Site Housing
Outreach Schedule
Draft 2/27/12**

<i>Date</i>	<i>Task/Target Group</i>	<i>Who from Team</i>	<i>Notes/Comments</i>
March 5 th	Feasibility Committee Strategy Meeting	BHA Staff, Feasibility Committee, OPC, Related	
Week of March 5 th	Identify BHA resident liaison, confirm availability for resident meeting dates	BHA Staff	Critical path item if Liaison is to attend resident meetings
Week of March 5 th	One on One meetings with tenant advocacy groups: Legal AID, NAACP, East Bay Community Law Center	BHA Staff, OPC, Related	Outline process and resident options. If appropriate, request presence at Resident Meetings. Request them being a resource for residents.
March 6 th	Letters to residents announcing informational meetings	OPC to Draft letter, comes from Housing Authority	Will be sent out AHEAD of the BHA Commission Meeting and will simply say the meetings are an update.
March 8 th	BHA Commission Considers DDLA		
March 10 th	Resident Meeting #1. Introduce Related, OPC, Process and Schedule, Resident Options, Sign Up for Interviews	BHA Staff, OPC, Related	Use gift card incentive for interview sign ups?
March 14 th	Resident Meeting #2, Same as above	BHA Staff, OPC, Related	Actual Date to be Determined
March 15 th	Resident Meeting #3, Same as Above	BHA Staff, OPC, Related	Actual Date to be Determined
March 10 th - April 19	One on One Meetings with residents	OPC	Outline resident options, discuss personal situation of household. Get a preliminary read on likely resident choices. Identify residents interested in jobs/job training.
Report to BHA/Related	Report from OPC regarding results of resident interviews	OPC to create	Will be basis for discussion between BHA and Related about removing Preliminary Relocation Contingency