



Berkeley Housing Authority

DRAFT MINUTES

Thursday, January 14, 2010

REGULAR MEETING OF THE BOARD OF THE BERKELEY HOUSING AUTHORITY

6:00 p.m.

North Berkeley Senior Center
1901 Hearst Avenue
Berkeley, CA 94709

CLOSED SESSION TO FOLLOW AT END OF THE REGULAR MEETING

North Berkeley Senior Center
1901 Hearst Avenue
Berkeley, CA 94709

CAROLE NORRIS, CHAIR

VALERIE AGOSTINO
MARJORIE COX
GEORGE AUSTIN

KATHARINE GALE
DOROTHY HUNT
ADOLPH MOODY

1. **Call to Order**

The meeting was called to order at 6:09 p.m.

2. **Roll Call**

Board Members present: Chairperson Norris and Commissioners Moody, Cox, Agostino, Austin and Gale.

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Board Member Dorothy Hunt (excused absence).

3. **Comments from the Public**

Four members of the public addressed the Commission.

4. **Report from the Executive Director**

Jesy Yturralde, Finance Manager and Rachel Gonzales-Levine briefed the Board on the status of activities of the Housing Authority in the areas of overall administration, rental assistance in the Section 8 Voucher, and Authority owned rental housing programs and informed the Board of potential significant actions/developments which may transpire prior to the next regular meeting. In the oral highlights:

- PIC reporting for the month of January was 95.98%.
- VMS Reporting/Program Utilization for the month of December was 1734 (94.10%). During the month of December 22 new admissions were processed and there were seven terminations.
- The Executive Director and Board Chair met with regional HUD representatives of Stephen Schneller's (Public Housing Director) staff to discuss several issues critical to the BHA. The following items were discussed:
 - SEMAP Confirmatory Review. The final report is scheduled for release on or before January 15, 2010. Although no specific information about the certification was shared, we concluded from the discussion that our reported score of 77% would be reduced, but would remain at or above 60%, resulting in certification as a "standard" performer. HUD advised that a Corrective Action Plan will be required for any indicators where BHA scores "0." We were also assured that HUD San Francisco Field Office staff would follow up with HUD Headquarters for a final decision on our request for temporary deferral of the requirements under the Family Self Sufficiency (FSS) Program; no specific date was provided.
 - Capital Fund. We reiterated our request for a decision of our request to reassign Capital Fund monies to operations, on the condition that the funds are replaced, dollar-for-dollar, with non-HUD funds. No formal decision was made, but it was suggested that there is a *possibility* of approval given that (a) the funds would be replaced dollar-for-dollar, and (b) that the replacement funds would be used to make improvements in the Low Income Public Housing units.
 - Memorandum of Agreement. We had a very good discussion with HUD staff regarding items BHA has completed and in many cases, ahead of schedule. We discussed the importance of using the MOA as a tool to help BHA stay on course, and advising HUD when assistance is needed. It was refreshing to learn that HUD acknowledges the tremendous improvement in customer service, as evidenced by the minimum number of complaints to the HUD Field Office.
- On January 8, 2010, the commission approved a revision to the Procurement Policy to comply with the latest HUD American Recovery and Reinvestment Act (ARRA) Funds requirement, associated with the award of ARRA funds. We also submitted revised paperwork, to reflect our contractor substitution on the roofing project. We are in the final stages of contract execution with IMR Roofing, and anticipate work beginning in earnest by late-January.

- For December, the monthly repayment collection efforts brought in a total of \$2,588. In addition, we currently have 10 families with Repayment Agreements totaling \$55,678. Based on the existing negotiated agreements, BHA stands to generate program income of \$27,839.
- It is time to start planning for the March 2010 submission of the 2010-2011 Annual Plan. The “Plan” includes four critical components: (a) the Administrative Plan which includes the discretionary policies governing administration of the Section 8 Housing Choice Voucher Program; (b) the Admissions and Continued Occupancy Policy (ACOP) governing the administration of the Low Income Public Housing Program; (c) the 5-year Capital Plan identifying all the capital projects the Authority may undertake during the next five years; and (d) the 2010-2011 Capital Plan (which includes the recently discussed “annual statement”), identifying the capital projects likely to be accomplished during the next fiscal year. The approval process has four critical elements:
 - Establishment of, and consultation with, a Resident Advisory Board. We will solicit interest from all current public housing residents and a random sample of participants in the S8 program;
 - 30-day review period. During this time staff will initiate meetings with public housing residents, the City of Berkeley Housing Department, legal aid and other community stakeholders;
 - Public Hearing to receive comments; and
 - On-line submission on or before April 16, 2010.
- The City of Berkeley is scheduled to announce the 2010 funding round for grants from the Housing Trust Fund on Friday, January 15, 2010. The deadline for 2010 applications is March 1, 2010. As reported previously, there is a \$700,000 *reservation* for the BHA, but we must submit an application(s) for eligible projects. We will study the application scoring criteria in the context of our most critical capital improvement needs in the Low Income Public Housing Program, and return to the Board with our proposed application at the February 25, 2010 meeting. Obtaining this funding is critical not only to our public housing program, but overall agency operations as it potentially allows us to access \$268,000 in restricted funds for operations this fiscal year.
- Staff will be attending the NAHRO Conference in Napa (February 1st) where Carol Joseph (our HUD representative) will be facilitating a session on SEMAP Universe and Quality Control Samples.
- In December, 2009, three staff members attended training on Housing Quality Standards (HQS). A next critical step in the training process is application of the skills and knowledge learned in the classroom. The three individuals will accompany a trained inspector in the performance of inspections the week of January 19th.
- We are finalizing plans to open the S8 Housing Choice voucher Program Wait List in early February 2010, utilizing “Happy Software,” without an interface to the Elite system we use in our day-to-day operations (although Elite has great functionality, we

have grown increasingly disappointed in the ability of Emphasys to respond to our operational needs).

- During the December 17, 2009 meeting, and again at the close of the January 8, 2010 meeting, the possibility of adding a second meeting to the Commission's meeting calendar was discussed. This was largely to ensure that there is sufficient time to carefully study, then act, on issues related to the disposition of our rental housing units. It is likely the second meeting will be a study session or workshop, with no written staff reports. The meetings are as follows:

February: Thursday, Feb 11th, 6:00 p.m. (North Berkeley Senior Center)
 Friday, Feb 25th, 1:30 p.m. (South Berkeley Senior Center)

March: Thursday, March 11th, 6:00 p.m. (North Berkeley Senior Center)
 Friday, March 26th, 8:30 a.m. (South Berkeley Senior Center)

April: Thursday, April 8th, 6:00 p.m. (North Berkeley Senior Center)
 Friday, April 23rd, 8:30 a.m. (South Berkeley Senior Center)

May: Thursday, May 13th, 6:00 p.m. (North Berkeley Senior Center)
 Friday, May 28th, 8:30 a.m. (South Berkeley Senior Center)

June: Thursday, June 10th, 6:00 p.m. (North Berkeley Senior Center)
 Friday, June 25th, 8:30 a.m. (South Berkeley Senior Center)

- The deadline for responding to the Project Based Request for Proposals (RFP) was January 13, 2010. At the time the report was prepared, we had received inquiries about 12 projects, including 9 projects that were awarded by the Board in July, 2009. All of the proposals received will be evaluated in accordance with the Administrative Plan, and a recommendation for award will be presented to the Board on February 11, 2010.
- On December 29, 2009 staff successfully submitted an "Inventory Removal" (*Disposition*) application to the U.S. Department of Housing and Urban Development (HUD) Special Applications Center (SAC). The submission allowed BHA to satisfy one of the requirements in the Memorandum of Agreement (MOA) with HUD and was worded such that all ownership options for the units, including ownership by residents or a non-profit entity established by the BHA, remain available.
- Our newly appointed Property Manager is visiting each site at least weekly, and provided a pleasant surprise to residents when he appeared after 5:00 p.m. to assess what conditions are like after normal business hours. Our site visits have resulted in calls/reports to K&S to address observed conditions that do not meet our minimum expectations. We have also implemented a quality control function, whereby a follow up call is made to residents randomly selected from work orders processed the prior week. We have tightened controls so that we are not billed for repeat visits required to address work that was not performed to our satisfaction. The Property Manager also has made significant progress in reconciling tenant accounts, and addressing long-standing concerns. All indications are that he is gaining the respect and confidence of our residents, with positive results for all parties.

- To date we have processed Utility Allowance (water/sewer) reimbursements for seven low income housing families (dating back to January 2008) with an average payment of \$275 per household. We will continue processing reimbursements as we receive the information from tenants, until every family has been reimbursed. We have also requested that Nelrod conduct the annual utility allowance review for the Low Income Public Housing Program, and taking this new fee into consideration, propose a new utility allowance schedule.
- Vacant units are very close to being released for new tenancy.
- Our REAC inspections were performed on December 7, 2009. The purpose of the HUD-required annual inspections for low income units is to identify potentially life threatening deficiencies, and to have all such deficiencies corrected within 24 hours. We scored very poorly on the assessment, receiving only 9 out of 30 possible points. The low scores are attributed to (a) expired fire extinguishers inside some units, and (b) failure to complete all the required repairs within 24 hours. We will be appealing the fail determination associated with the fire extinguishers. The three instances where we did not complete repairs within 24-hours were the result of the family not allowing us access to complete the repairs.

5. Information

A. Budget Report - Marjorie Cox, Chair, Finance Committee & Tia Ingram, Executive Director

Board Member Cox reported that the financial situation of the Berkeley Housing Authority is in the same position as it was last month.

1. Change in Projected Revenues. In October 2009 we projected that the annual loss of earned Administrative fees (based on 95% leasing through June 30) would be \$102,000. The revised projection, based on utilization as in November 2009, is \$114,000 (again assuming 95% leasing through June 30).
 - a. It might be possible for the lease up numbers to increase, but given where we are in the fiscal year, it is not likely that it will increase enough to significantly reduce the annual loss.
 - b. If we retain our lease up rate at our current level (93%), and adjust our 95% leasing projection accordingly through the end of the fiscal year the deficit would increase by at least \$20,000 to \$134,000.
2. Change in projected expenditures. There have not been any radical changes in the expenses.
3. Change in Projected Deficit.
 - a. If we are able to use 100% of the Capital Funds for FY 2009 (including the portion normally reserved for capital projects), this will allow us to recognize \$64,000 that was provisionally included in the original budget. The deficit would be \$133,000.
 - b. If we are not able to use the restricted portion of the Capital Funds (\$64,000) for FY 2009 the deficit would be approximately \$197,000 for Fiscal Year 2009/2010.
4. Recommendations to cover the FY 2009-10 Deficit.

- a. Board Member Cox informed the Board that it is possible to use the unrestricted reserve account that currently has \$233,000, but it would leave the agency without a reserve.
- b. Another possibility to cut expenses would be to furlough employees for six days during the balance of the fiscal year.
- c. The use of the reserves might be justified as an alternative to furloughs due to critical projects and the impact it would have on such if employees were furloughed.
- d. Board Member Cox informed the Board that the Executive Director had already implemented furlough days for herself.

B. Low Income Public Housing Disposition Project Update

Tia Ingram, BHA Executive Director & Carole Norris, Board Chair

Chairperson Norris reported that there were four resident meetings prior to the submission of the Inventory Disposition Application. Since the application, there was a large meeting held to discuss where BHA is in the process. The LIPH Disposition Committee made an agreement that they would adopt a set of principles for the committee that will be presented at the next Board meeting. The LIPH Disposition Committee also made a commitment to set up a Planning and Community Advisory Committee made up of three Board members, Clergy represented by BOCA (Berkeley Organizing Congregations for Action), a City Council representative, Social Services provider, and three LIPH residents. Chairperson Norris reported that the advisory process will go through early summer. She also reported that the disposition application had been received and assigned by HUD to an application specialist and that HUD has been very supportive.

C. Memorandum of Agreement: Quarterly Report (January 15, 2010)

Staff reported that the HUD-required MOA was submitted to HUD on January 14, 2010 electronically and via postal service.

6. New Business

A. Approval of Minutes: Special Meeting, December 17, 2009

Minutes of the Special meeting of December 17, 2009 were moved, seconded and carried (Austin, Cox; Abstain: None; Oppose: None; Absent: Hunt).

B. Approval of Minutes: Special Meeting, January 8, 2010

Minutes of the Special meeting of January 8, 2010 were moved, seconded and carried with revision to the minutes to reflect that Board Member Gale had not arrived to the meeting when the vote was taken for particular items being voted on (Cox, Gale; Abstain: None; Opposed: None; Absent: Hunt).

C. Consideration of resolutions (1) adopting a set of principles and goals to govern the conversion of the 75 units of Housing authority owned rental units, and (2) delegating authority to the LIPH Feasibility Committee to establish the criteria and process for appointing an Advisory Planning Committee.

Resolutions adopting a set of principles and goals to govern the conversion of the 75 units of Housing authority owned rental units, and resolution delegating authority to the LIPH Feasibility Committee to establish the criteria and process for appointing a Planning Committee were moved, seconded and carried (Gale, Moody; Abstain: None; Opposed: None; Absent: Hunt).

- D. Consideration of a resolution authorizing the appointment of a Board committee to review the recommendation of the selection panel to the two responses to the Request for Proposals to provide grounds and building maintenance services for the 75 units of Housing Authority owned family rental units, and direct the Executive Director to award a two-year contract to one of the proposers, effective February 1, 2010, with an option for a one-year renewal period.

Resolution was modified to direct the Executive Director to award a two-year contract, effective February 1, 2010, with an option for a one-year renewal period, to one of the two proposers who responded to the Request for Proposals to provide grounds and building maintenance services for the 75 units of Housing Authority owned family rental units was moved, seconded and carried (Moody, Agostino; Abstain: None; Opposed: None; Absent: Hunt).

- E. Consideration of a resolution revising the Annual Statements for Fiscal Years (FY) 06-07, 07-08, 08-09, and 09-10 to assign 20% of Capital Fund Grant to Operations and reclassifying a total of \$52,610 of Capital Fund balances to operations.

Resolution revising the Annual Statements for Fiscal Years (FY) 06-07, 07-08, 08-09, and 09-10 to assign 20% of Capital Fund Grant to Operations and reclassifying a total of \$52,610 of Capital Fund balances to operations was moved, seconded and carried (Cox, Moody; Abstain: None; Opposed: None; Absent: Hunt).

- 7. **Communications**
None.

CLOSED SESSION

Purpose: Pursuant to Government Code Section 54956.9 – Conference with Legal Counsel re existing litigation: 1) Tashonna Brown vs. City of Berkeley Housing Authority, Alameda County Superior Court No. BS09487190; 2) Judy Deponte vs. City of Berkeley and Berkeley Housing Authority, Alameda County Superior Court No. BS09487266; 3) Berkeley Housing Authority vs. Tequoia Nickson, Alameda County Superior Court No. RGO9458700, Berkeley Housing Authority v. Tequoia Nickson, Alameda County Superior Court No. BG09445568.

- 8. **Adjournment**

Meeting adjourned at 7:55 p.m.

This agenda was posted on the doors of the Berkeley Housing Authority at 1901 Fairview Street, Berkeley, CA 94703. The next regular meeting of the Board is scheduled for Thursday, February 11, 2010.

Posted at BHA Office 1/11/10 by Celinda Aguilar-Vasquez
Posted at BHA website 1/11/10 by Celinda Aguilar-Vasquez

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