



HOUSING COMMISSION AGENDA
Regular Meeting: December 12, 2012

Time: 8:00 a.m.

HACA Board Room, 22941 Atherton Street, Hayward, CA 94541-6633

The public is welcome at all Housing Commission meetings. If you wish to speak on a matter NOT on the Agenda, please file a Public Comment card with the Commission Clerk. Upon recognition by the Chairperson during Public Comment, state your name, comments and/or questions. Anyone wishing to address the Commission on an agenda item or on business introduced by the Housing Commission may do so when the Chairperson calls for comments on the agenda item. Please be brief and limit your comments to the specific subject under discussion. NOTE: Only matters within the Housing Commission's jurisdiction may be addressed.

To allow the opportunity for all to speak, a time limit of 3 minutes has been set for public speakers wishing to address the Housing Commission. The Chairperson has the discretion to further limit this time if warranted by the number of speakers.

*The Housing Commission Secretary of the Housing Authority of the County of Alameda has, on **Thursday, December 6, 2012** duly distributed this Agenda to the Clerk of the Board of Supervisors for posting in the office of the Alameda County Administration Building and has posted it on the bulletin board of the Housing Authority of the County of Alameda.*

AMERICANS WITH DISABILITIES: In compliance with the Americans with Disabilities Act, if special assistance to participate in this meeting is needed, please contact the Housing Authority office at (510) 727-8511. Notification at least 48 hours prior to the meeting will enable the Housing Authority to make reasonable arrangements.

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1. CALL TO ORDER / ROLL CALL		
2. EXECUTIVE SESSION		
	<i>Contract Negotiations with SEIU Local 1021 and the Housing Authority of the County of Alameda Labor Negotiations Pursuant to Government Code 54957.6</i>	
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4. PUBLIC COMMENT		
	On matters not on the Agenda	
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MINUTES
November 14, 2012

**HOUSING COMMISSION MINUTES
REGULAR MEETING: NOVEMBER 14, 2012
HACA BOARD ROOM**

SUMMARY ACTION MINUTES

1. CALL TO ORDER/ROLL CALL

Call to Order

Chairperson Reed called the meeting to order at 8:01 a.m.

Roll Call

Present: Cmr. Apodaca, Asher, Biddle, Cashmere, Gacoscos, Gerry, Iosefa, Steiner, and Reed

Entered after roll call: Cmr. Peixoto

Absent: Cmr. Haddock and Natarajan

2. EXECUTIVE SESSION

*Contract Negotiations with SEIU Local 1021 and the Housing Authority of the County of Alameda
Labor Negotiations Pursuant to Government Code 54957.6*

Conference with Legal Counsel - Anticipated Litigation

Initiation of Litigation Pursuant to Subdivision (c) of Section 54956.9 (one case)

The Commission adjourned into Executive Session at 8:02 a.m. and reconvened in regular session at 9:03 a.m. Chairperson Reed reported that there were no reportable actions taken during the Executive Session.

3. APPROVAL OF THE MINUTES OF THE OCTOBER 10, 2012 MEETING

Recommendation: Approve the minutes of the October 10, 2012 meeting as presented.

Motion/Second: Biddle/Steiner.

Ayes: All. Motion passed.

APPROVED AS RECOMMENDED.

4. PUBLIC COMMENT - On matters not on the agenda.

The SEIU representative for HACA and others commented on items proposed in the labor contract negotiations. A speaker inquired about an Executive Session item.

5. NEW BUSINESS

5-1. ACTION: COMMISSION LETTER REGARDING SEQUESTRATION

Christine Gouig, Executive Director, presented the staff report. She provided an update on

the status of the federal budget and the Continuing Resolution and explained the implications and potential impact of sequestration on HACA's program. Ms. Gouig read a letter to HACA's Congressional representatives and Senators to come from the Commission regarding the impact of sequestration.

Recommendation: Approve letter and authorize Executive Director to send it to Congressional representatives and Senators.

Commission Discussion: Cmr. Steiner commented on the importance of writing to elected officials and urged the union representatives to write to these elected officials as well. Chairperson Reed and Ms. Gouig discussed proposed funding cuts to HACA's programs.

Public Comment: SEIU commented on its Washington DC advocacy efforts.

Motion/Second: Biddle/Gerry.

Ayes: All. Motion passed.

APPROVED AS RECOMMENDED.

Before moving on to the next item, Chairperson Reed asked if there will be further cuts to HACA's 2012-2013 budget if the sequestration cuts take place. Ms. Gouig indicated that she had prepared HACA's budget assuming a 75% proration of the Section 8 Admin Fee and that HACA would absorb the additional sequestration cuts without further reducing the budget.

5-2. ACTION: EXTENSION OF CONTRACT FOR ARCHITECT OF RECORD

Thomas Makin, Deputy Director for Operations, presented the staff report. Mr. Makin reported that HACA's contract with K2A Architecture + Interiors (K2A) for architecture and engineering services will end on November 22, 2012 and recommended that the Commission authorize a contract extension.

Recommendation: Extend contract with K2A Architecture + Interiors for one year with an option for an additional year.

Motion/Second: Biddle/Asher.

Ayes: All. Motion passed.

APPROVED AS RECOMMENDED.

5-3. ACTION: RECOMMENDATION RE: COLDBROOK FOUNDATION PURCHASE OF MANCHESTER APARTMENTS

Christine Gouig presented the staff report. Ms. Gouig described the California Affordable Housing Agency (CalAHA) and how the agency enables its members to purchase, renovate, and convert multi-family projects to affordable housing. She reported that CalAHA has located a project in unincorporated San Leandro that the Coldbrook Foundation, a 501(c)(3)

non-profit corporation, is interested in purchasing. Ms. Gouig explained that a recommendation by the Commission to the Alameda County Board of Supervisors to enter into a cooperative agreement with CalAHA would enable CalAHA to issue tax-exempt bonds.

Recommendation: Approve a recommendation to the Alameda County Board of Supervisors to enter into a cooperative agreement with CalAHA to allow CalAHA to issue tax-exempt bonds and include a provision on relocation assistance.

Commission Discussion: Cmr. Cashmere asked for clarification on Low-Income Housing Tax Credits and Tax-Exempt Bonds and Ms. Gouig described these funding sources. Cmr. Asher asked if HACA or Alameda County would be subject to any financial risk and Ms. Gouig indicated they would not. Cmr. Steiner asked if HACA could implement a requirement that the project accept Section 8 vouchers. Ms. Gouig indicated the project must accept Section 8 per federal law. Cmr. Peixoto asked if HACA is ultimately financially responsible if the project should fail and Ms. Gouig indicated that HACA would not be liable.

Motion/Second: Biddle/Steiner.

Ayes: All Motion passed.

Chairperson Reed excused herself from the meeting and Vice Chairperson Biddle chaired the remainder of the meeting.

5-4. INFORMATION: PROCUREMENT AWARDS

Beverly Brewer, Procurement Analyst, presented the staff report. Ms. Brewer reported that contracts for remodeling services in the amount of \$26,852 and \$29,297 were awarded to Men of All Trades Construction and a contract in the amount of \$41,025 was awarded to TSM General Building.

5-5. INFORMATION: BUDGET STATUS REPORTS

Christine Gouig presented the staff report. Report received with no questions or comments from the Commission.

Public Comment: The SEIU representative commented on the budget deficit.

5-5. INFORMATION: PROGRAM ACTIVITY REPORTS

Christine Gouig presented the staff report. Ms. Gouig thanked Cmr. Peixoto and Steiner for attending the Family Self-Sufficiency (FSS) *It's Your Time to Shine* event held on November 8, 2012 at the San Leandro library. She also thanked Chairperson Reed for her help in securing the library for the event. Cmr. Peixoto commented that the event was excellent and highlighted the success of the FSS program. Cmr. Steiner commented that this event provides the motivation and moral support that the FSS participants need to achieve their

goals.

6. COMMITTEE REPORTS

None.

7. COMMISSIONER REPORTS

Cmr. Steiner reported that the Pleasanton City Council approved the plan for the Kottinger Place and Pleasanton Gardens senior projects.

8. COMMUNICATIONS

None.

9. ADJOURNMENT

There being no further business to discuss Vice Chairperson Biddle adjourned the meeting at 10:18 a.m.

Respectfully submitted,

Melissa Taesali
Executive Assistant

Christine Gouig
Executive Director/Commission Secretary

Approved:

Ursula Reed
Chairperson

NEW BUSINESS

December 12, 2012

HOUSING AUTHORITY OF ALAMEDA COUNTY

AGENDA STATEMENT

Meeting: December 12, 2012

Subject: Resolution Establishing a New Tier and Formula for Retirement System

Exhibits Attached: Resolution No. 10-12

Recommendation: Adopt the attached resolution authorizing the establishment of a new tier of retirement for employees hired after January 1, 2013

Financial Statement: Savings unknown at this time

BACKGROUND

On September 12, 2012, Governor Jerry Brown signed AB 340 and AB 197, the pension reform bills referred to as C-PEPRA (California Public Employees' Pension Reform Act). The bills established a wide variety of pension reforms, including the establishment of a new tier of retirement for employees hired by public agencies after January 1, 2013. C-PEPRA requires public agencies to establish this new tier.

DISCUSSION AND ANALYSIS

The Housing Authority is a participating employer in the Alameda County Employees' Retirement Association (ACERA). Staff attended a meeting with ACERA staff who explained the provisions of the new tier required by C-PEPRA. These include lower benefits than current employees are entitled to receive and a lower cost to public employers.

As State law requires these changes there is no alternative to your Commission's adoption of the attached resolution. Staff recommends adopting the proposed resolution establishing the new tier of retirement and benefit formula for employees hired after January 1, 2013 with the contribution rates established by ACERA.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

RESOLUTION NO. 10-12

**RESOLUTION ADOPTING A NEW RETIREMENT FORMULA WITH THE
ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
FOR NEW HOUSING AUTHORITY EMPLOYEES**

WHEREAS, the Housing Authority of the County of Alameda ("Authority") provides retirement benefits to eligible full-time employees of the Authority through the Alameda County Employees' Retirement Association (ACERA); and

WHEREAS, the California Legislature adopted AB 340 and AB 197, hereinafter referred to as the California Public Employees' Pension Reform Act (C-PEPRA), signed into law by Governor Jerry Brown on September 12, 2012, which require changes to existing defined benefit plans offered by public employers, including Authority; and

WHEREAS, C-PEPRA requires that Authority offer its new employees, as defined in C-PEPRA, a defined benefit plan with the formula contained in Exhibit 1, for general members of the system; and

WHEREAS, new employees are defined in C-PEPRA as those employees who join ACERA for the first time on or after January 1, 2013 and a) were not members of any other public retirement system prior to January 1, 2013; or b) were not subject to reciprocity; or c) were active members of ACERA and had a break in service of more than 6 months and returned to a different ACERA employer (Government Code section 7522.04(e) and (f)); and

WHEREAS, Authority has determined that it must comply with C-PEPRA;

NOW, THEREFORE, BE IT RESOLVED, by the Housing Commission of the Housing Authority of the County of Alameda that the new Tier IV be adopted and the retirement benefit formula contained in the attached Exhibit 1 shall be offered to new Authority employees as defined in C-PEPRA who are general members entering ACERA on or after January 1, 2013.

BE IT FURTHER RESOLVED that all new Authority general members as described above and defined in C-PEPRA shall be members of Tier IV and receive the retirement benefit under the benefit formula in the attached Exhibit 1.

BE IT FURTHER RESOLVED that Authority shall process Tier IV employee and employer contribution rates in accordance with the rates determined by ACERA.

PASSED, APPROVED AND ADOPTED by the Housing Commission of the Housing Authority of the County of Alameda on this _____ day of _____ 2012 by the following vote:

AYES:

NOES:

ABSTAIN:

EXCUSED:

ABSENT:

Ursula Reed
Housing Commission Chairperson

Attest:

Christine Gouig
Executive Director/Housing Commission Secretary

Adopted: _____

Exhibit 1

7522.20.(a) Each retirement system that offers a defined benefit plan for nonsafety members of the system shall use the formula prescribed by this section. The defined benefit plan shall provide a pension at retirement for service equal to the percentage of the member's final compensation set forth opposite the member's age at retirement, taken to the preceding quarter year, in the following table, multiplied by the number of years of service in the system as a nonsafety member. A member may retire for service under this section after five years of service and upon reaching 52 years of age.

Age of Retirement	Fraction	Age of Retirement	Fraction
52.....	1.00	59¾	1.775
52¼.....	1.025	60	1.800
52½.....	1.050	60¼	1.825
52¾.....	1.075	60½	1.850
53.....	1.100	60¾	1.875
53¼.....	1.125	61	1.900
53½.....	1.150	61¼	1.925
53¾.....	1.175	61½	1.950
54.....	1.200	61¾	1.975
54¼.....	1.225	62	2.000
54½.....	1.250	62¼	2.025
54¾.....	1.275	62½	2.050
55.....	1.300	62¾	2.075
55¼.....	1.325	63	2.100
55½.....	1.350	63¼	2.125
55¾.....	1.375	63½	2.150
56.....	1.400	63¾	2.175
56¼.....	1.425	64	2.200
56½.....	1.450	64¼	2.225
56¾.....	1.475	64½	2.250
57.....	1.500	64¾	2.275
57¼.....	1.525	65	2.300
57½.....	1.550	65¼	2.325
57¾.....	1.575	65½	2.350
58.....	1.600	65¾	2.375
58¼.....	1.625	66	2.400
58½.....	1.650	66¼	2.425
58¾.....	1.675	66½	2.450
59.....	1.700	66¾	2.475
59¼.....	1.725	67	2.500
59½.....	1.750		

(b) Pensionable compensation used to calculate the defined benefit shall be limited as described in Section 7522.10.

HOUSING AUTHORITY OF ALAMEDA COUNTY

AGENDA STATEMENT

Meeting: December 12, 2012

Subject: Furlough Days for Management Employees

Exhibits Attached: None

Recommendation: Authorize the Executive Director to develop a schedule of furlough days for management employees

Financial Statement: Each management furlough day saves approximately \$5,400

BACKGROUND

At the July Housing Commission meeting you approved a salary freeze and benefit reduction for management employees, needed to help reach an unspecified total cost reduction of \$674,387 in the approved budget.

While further cost savings are being negotiated with represented employees, managers have expressed a preference for furlough days over salary cuts, as furlough days do not have a financial impact on retirement benefits and managers would get the benefit of days off, although those days would be unpaid. The exact number of furlough days is not yet determined but it seems that it may be as many as seven or as few as four depending on negotiations. Managers do not want to wait until negotiations are resolved to begin taking furlough days and it is not necessary that they do so.

Staff recommends that you authorize the Executive Director to develop a schedule of furlough days for management employees. These could be spread out over several days, with some managers taking a furlough while others continue to work, be flexible (as opposed to fixed) days or be furloughs in-lieu of holidays. Authorizing this approach now will alleviate the necessity for salary cuts for managers, should the negotiations with represented employees be prolonged, and also allow the furlough days to be spread over a longer period of time.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: November 14, 2012

Subject:	Contract Amendment for Office Remodeling
Exhibits Attached:	None
Recommendation:	Amend contract with K2A Architecture & Interiors to re-allocate funds and increase agreement by \$58,245
Financial Statement:	Funding from Local Funds

BACKGROUND

In December 2009, the Housing Authority signed an agreement with K2A Architecture & Interiors (K2A) to provide professional services for the design and construction administration of the Housing Authority's office renovation project.

The agreement spelled out, in general, the services to be provided by K2A for a total fee plus reimbursables of \$805,260. The fee was broken down by components with each portion of the fee allocated to specific categories including Schematic Design, Design Development, Bidding Construction and Contract Documents, Bidding and Award, Construction Phase and Post Completion/Warranty using the HUD-required "Model Form of Agreement Between Owner and Design Professional" form HUD-51915.

The agreement states, in Article C. 1.4., that the professional services to be rendered were to provide for an award of a construction contract not to exceed \$5,000,000. This is referred to as the "Maximum Construction Contract Cost."

At the April 2011 Commission meeting, you authorized staff to go out to bid for the project based on an anticipated cost of \$4,996,882 as provided by K2A's cost estimator. In May 2012, we received six bids for the project. The lowest bid was \$6,216,000. At the June 2012 meeting, your Commission rejected all bids.

DISCUSSION AND ANALYSIS

Staff has continued to work with K2A since the rejection of the bids to engineer the project down to allow for bids within the \$5,000,000 budget. This was done by eliminating the second floor, reducing the size of common areas such as the board room and lobby, eliminating sky lights and changing some finishes and site work. Tentative designs have been shown to the City of Hayward, which has approved the re-design. A

preliminary cost estimate indicates the cost at approximately \$4.5 million. This cost is likely to go up a modest amount as the detailed plans are developed. A cost estimate would be completed just before the bidding period.

The Housing Authority's current agreement with K2A provides, "Should bids for the Construction Contract(s) exceed the Maximum Construction Contract Cost, the Owner has the right to require the Design Professional to perform redesigns, rebids and other services necessary to cause an award of the Construction Contract within the Maximum Construction Contract Cost without additional compensation or reimbursement." Staff has had several meetings with K2A regarding this clause. All of the redesign work to date has been done without compensation.

K2A has \$155,807.49 remaining in its original contract, including \$133,786 for the Construction Phase and \$19,331 for the Post Completion/Warranty Phase for a total of \$153,117, plus another \$2,690.49 in reimbursables.

K2A has stated that it is willing and able to complete the project by re-allocating the remaining funds and absorbing any other costs they themselves incur. They have indicated, however, that they are unable to absorb the additional costs of their sub-consultants, which they have presented as \$58,245. Staff recommends allocating another \$58,245 to the contract amount in order to complete this project. This is more cost effective than trying to force K2A to do the work within the existing contract amount or throwing out the K2A work and starting over with another architect.

Staff recommends your Commission authorize an additional \$58,245 in the base contract amount and allow staff and K2A to re-allocate the remaining contract funds by way of addenda and authorize the Executive Director to sign the necessary and related documents.

HOUSING AUTHORITY OF ALAMEDA COUNTY

AGENDA STATEMENT

Meeting: December 12, 2012


Subject: Tax-exempt Bonds and Low Income Housing Tax Credits

Exhibits Attached: Power point slides

Recommendation: Receive presentation


BACKGROUND

At your November meeting some Commissioners asked about the tax-exempt bonds and Low Income Housing Tax Credits that are commonly used to develop affordable housing. Staff has prepared a brief presentation on these two financing sources to give your Commission a better understanding of their provisions and requirements.



Tax-exempt Bonds and Low Income Housing Tax Credits

The way to finance affordable housing today



Tax-exempt Bonds

- **IRS allocates bond authority to each state on a per capita basis**
- **In California, administered by the California Debt Limit Allocation Committee (CDLAC) (Treasurer's office)**
- **Bonds are the way public entities borrow money—they are not grants and must be repaid, with interest**

Lower Interest

- Interest earned by the bond holders is exempt from federal income tax so bond holders are willing to accept a lower interest rate when they buy the bonds
- The public entity selling the bonds can then loan the bond proceeds to the developer at a below-market interest rate
- For housing bonds there is a lender involved that underwrites the project

Affordability Requirements

- 20% of all units rented to very low income households OR 40% of units rented to low income households
- 30 years
- Regulatory agreement with these provisions recorded against the property
- States free to develop requirements beyond these and California has (e.g., 55 years of affordability)

Housing Tax Credits

- IRS allocates Housing Tax Credits to each state on a per capita basis
- In California, administered by the Tax Credit Allocation Committee (TCAC) (Treasurer's office)
- Tax Credits are a dollar-for-dollar credit against income taxes owed— as opposed to a deduction which conforms to the taxpayer's tax bracket
- Tax Credits taken over a 10-year period

Affordability Requirements

- Same 20% at 50% AMI OR 40% at 60% AMI as tax-exempt bonds (but most developers provide 100%)
- 15 years
- Rent limits, based on unit size and affordability target group
- Like tax-exempt bonds, states free to develop additional requirements and California has

Two Types of Housing Tax Credits

- So-called 9% credit- equal to 9% of the project's eligible basis (i.e., most development costs)
- So-called 4% credit- equal to 4% (more or less) of eligible basis
- 9% credit is competitive. Geographic allocation. TCAC receives 3-4 apps for each one that is funded.
- 4% credit is not competitive. Comes with tax-exempt bond allocation, which is "competitive" but readily available.

How Do Tax Credits Generate Money?

- Tax Credits can only be used by tax payers (investors) who owe income taxes (not non-profits)
- Developers receiving an award of Tax Credits "sell" them to tax payers with tax liability (e.g., large financial institutions, banks)
- Tax Credit buyers become part of the partnership that owns the project
- Amount paid for Tax Credits depends on the market, project location, developer experience

Basic Calculation

▪ Eligible basis	\$25M
▪ Times % affordable units	100%
▪ Times % investor ownership	99.9%
▪ Times 4% (for the 4% tax credit)	\$999,000
▪ Times 10 years	\$9,990,000
▪ Times amount paid by investor for Tax Credits (\$1.04 per \$1)	\$10,400,000

Typical Approach

- Apply to CDLAC for tax-exempt bonds and receive allocation
- Apply to TCAC for 4% Tax Credits
- Bond proceeds used to make construction loan (lender); little Tax Credit proceeds used
- After project completion and lease-up, Tax Credits used to pay down/off construction loan to amount supportable by project rents

Supportable Debt

- Underwritten by lender
- Based on project's income limits, operating expenses, reserve requirements and DSC
- Assume \$24.5M project: 70 units @\$350,000 each
- 15 units at 30% AMI and 55 units at 50% AMI
- Rents generate \$770,000 in annual rental revenue
- Minus operating expenses: \$280,000
- Minus replacement reserves deposit: \$30,000

Supportable Debt (cont.)

- Equals \$420,000 per year for debt
- At 4% interest, can support a loan of \$7.3M
- Project cost: \$24.5M
- Debt: \$7.3M
- Tax Credit equity: \$10.4M
- Gap: \$6.8M

Filling the Gap

- Not Easy!
- No more redevelopment funds
- Inclusionary housing funds (e.g., Dublin)
- Free site (e.g., Emeryville, Pleasanton)
- CDBG and HOME
- State programs (e.g., MHP, MHSA)
- Project Based Vouchers

BUDGET STATUS

REPORT

Housing Authority of Alameda County
HOUSING CHOICE VOUCHER
Budget Status Report FYE 2012-2013
OCTOBER 2012

FY 2013 - HCV OPERATING BUDGET	Budgeted @ 10/31/2012	Actual @ 10/31/2012	OVER (UNDER)	PROJECTED TO 6/30/13	SCH. NO.	2012 BUDGET	2013 BUDGET	DIFFERENCE
INCOME								
Investment Income	1,200	1,420	220	4,259	A1	3,600	3,600	0
Misc. Income	69,333	10,933	(58,400)	208,000	A1	345,040	208,000	(137,040)
Administrative Fee Income	2,301,770	2,339,999	38,229	6,878,948	A	7,270,973	6,905,311	(365,662)
TOTAL INCOME	2,372,304	2,352,352	(19,952)	7,091,207		7,619,613	7,116,911	(502,702)
EXPENSES								
Administration					B-1&2	(4,391,400)	(4,362,145)	29,255
Salaries	(1,454,048)	(1,322,994)	131,055	(3,968,981)	C-1&2	(1,077,012)	(1,161,477)	(84,465)
Other Admin.	(387,159)	(395,143)	(7,984)	(1,210,509)		(5,468,413)	(5,523,621)	(55,209)
Total	(1,841,207)	(1,718,136)	123,071	(5,179,490)				
General					E	(204,029)	(201,590)	2,439
Insurance	(67,197)	(43,722)	23,475	(131,166)		(2,195,700)	(2,224,694)	(28,994)
Employee Benefits	(741,565)	(680,427)	61,137	(2,024,180)		0	0	0
Miscellaneous	0	0	0	0		(2,399,729)	(2,426,284)	(26,555)
Total	(808,761)	(724,150)	84,612	(2,155,347)				
Total Routine Expenses	(2,649,968)	(2,442,286)	207,683	(7,334,837)		(7,868,142)	(7,949,905)	(81,763)
Capital Expenditures	0	0	0	0	D2	0	0	0
TOTAL EXPENSES	(2,649,968)	(2,442,286)	207,683	(7,334,837)		(7,868,142)	(7,949,905)	(81,763)
Income (Deficit) Unfunded 2012 FSS (1/2 year) - Use of Reserve				(158,607)			(158,607)	
Income (Deficit) UNSPECIFIED BUDGET REDUCTION				(85,023)			(674,387)	
NET INCOME (DEFICIT)	(277,665)	(89,934)	(227,634)	(243,630)		(248,529)	(832,994)	(584,465)

2012 Funding for FSS (unfunded)
Salaries and Benefits FSS expenses
Use of Reserve (unfunded FSS) for 1/2 2012 (July-Dec 2012)

103,020
(261,627)
** (158,607)

Unrestricted Net Assets @ 6/30/12
Use of Reserve (unfunded FSS) for 1/2 2012-July-December
Projected Income/(Deficit) @ 6/30/13
Projected Unrestricted Net Assets @ 6/30/13

\$ 2,478,875
** (158,607)
(85,023)
\$ 2,235,245

Housing Authority of Alameda County
PUBLIC HOUSING
Budget Status Report FYE 2012-2013
OCTOBER 2012

FY 2013 - PH OPERATING BUDGET	YTD BUDGET 10/31/2012	YTD ACTUALS 10/31/12	OVER/ (UNDER) BUDGET	Projected to 6/30/13	SCH. NO.	2012 BUDGET	2013 BUDGET	Difference
INCOME								
Dwelling Rentals	177,870	204,116	26,246	533,610	A-1	804,948	533,610	(271,338)
Investment Income	733	633	(100)	1,900	A	2,025	2,200	175
Misc. Income	45,255	29,737	(15,518)	89,210	A-1	85,108	135,764	50,656
Transfer of Reserves from Ocean Ave				500,000			500,000	500,000
Operating Subsidy	126,860	184,872	58,012	380,579	A-1	496,628	380,579	(116,049)
Asset Reposition Fee	66,340	0	(66,340)	199,020	A-1	148,594	199,020	50,426
Capital Grant	86,126	0	(86,126)	258,378	A-1	169,275	258,378	89,103
TOTAL INCOME	503,184	419,358	(83,826)	1,962,697		1,706,579	2,009,551	302,971
EXPENSES								
Administration								
Salaries	(77,698)	(65,194)	12,504	(188,338)	B-1&2	(383,445)	(233,093)	150,353
Other Admin.	(38,789)	(13,372)	25,417	(40,117)	C-1	(167,363)	(116,368)	50,995
Total	(116,487)	(78,566)	37,921	(228,455)		(550,808)	(349,461)	201,348
Tenant Services								
Resident Managers	(1,833)	(900)	933	(5,500)		(5,500)	(5,500)	0
Recreation	(2,500)	(147)	2,353	(7,500)		(7,500)	(7,500)	0
Total	(4,333)	(1,047)	3,286	(13,000)		(13,000)	(13,000)	0
Utilities								
Water	(24,667)	(17,849)	6,817	(74,000)		(74,000)	(74,000)	0
Electricity	(6,333)	(6,942)	(608)	(20,825)		(19,000)	(19,000)	0
Gas	(867)	(488)	380	(1,463)		(2,600)	(2,600)	0
Sewage	(15,867)	(8,089)	7,778	(47,600)		(47,600)	(47,600)	0
Total	(47,733)	(33,368)	14,368	(143,887)		(143,199)	(143,199)	0
Maintenance								
Salaries	(23,328)	(24,529)	(1,202)	(70,862)	B-2	(139,820)	(69,983)	69,836
Materials	(21,320)	(15,211)	6,109	(56,968)	D	(63,960)	(63,960)	0
Contract Costs	(198,053)	(63,594)	134,459	(609,245)	D	(466,552)	(594,158)	(127,606)
Total	(242,700)	(103,334)	139,367	(737,076)		(670,332)	(728,101)	(57,769)
General								
Insurance	(26,904)	(17,022)	9,883	(73,235)	E	(80,712)	(80,712)	0
Tax-In Lieu Of	(13,014)	(22,058)	(9,045)	(66,175)		(66,175)	(39,041)	27,134
Employee Benefits	(51,523)	(33,437)	18,085	(154,569)		(261,633)	(154,569)	107,064
Collection Loss	(333)	0	333	0		(1,000)	(1,000)	0
Miscellaneous	(333)	0	333	0		(1,000)	(1,000)	0
Total	(92,107)	(72,518)	19,591	(293,979)		(410,520)	(276,322)	134,198
Total Routine Expenses	(503,361)	(288,832)	214,531	(1,416,397)		(1,787,859)	(1,510,083)	277,776
Capital Expenditure-exterior renovation of Emery Glen				(500,000)		0	(500,000)	(500,000)
TOTAL EXPENSES	(503,361)	(288,832)	214,531	(1,916,397)		(1,787,859)	(2,010,083)	(222,224)
NET INCOME (DEFICIT)	(178)	130,526	130,705	46,300		(81,280)	(533)	80,747

Unrestricted Net Assets @ 6/30/12
Projected Income/(Deficit) @ 6/30/13
Projected Unrestricted Net Assets @ 6/30/13

\$1,318,585
46,300
\$1,364,885

PROGRAM ACTIVITY

REPORT

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: December 12, 2012

Subject: Programs Activity Report

Exhibits Attached: Section 8 Contract Report; Section 8 Average Contract Rent Report; Fraud Payments Report; Landlord Rental Listing Report; FSS Program Monthly Report

Recommendation: Receive Report

Financial Statement: None

SECTION 8 HOUSING CHOICE VOUCHERS

- **Lease-Up:** As of December 1, 2012, the Section 8 Housing Choice Voucher program had 5,794 units under contract. The fiscal year-to-date lease-up average is 97.21% units. The budget authority use average through October 2012 is 100.3%.
- **Program Utilization:** As of December 1, 2012, the average HAP subsidy is \$1,046 and the average tenant-paid rent portion is \$401 for an average Contract Rent of \$1,447.
 - ❖ As of December 1, 2012, HACA had 91 outgoing billed portability contracts (i.e., HACA voucher holders who are housed in another housing authority's jurisdiction).
 - ❖ As of December 1, 2012, HACA billed other housing authorities, primarily the Oakland Housing Authority, for 1,666 incoming portability contracts. HACA receives only 80% of the HUD-authorized Administrative Fee for billed incoming portability contracts.
- **Section 8 Contract Report:** A copy of the Contract Report is attached.
- **Fraud / Debt Recovery:** HACA retained \$2,712.85 in fraud and debt recovery payments for the month of October 2012. A total of \$17,318.92 was retained over the last six months.

HACA retained \$0 in Housing Assistance Payments (HAP) overpayments for the month of October 2012. A total of \$0 was retained over the last six months.

- **Landlord Rental Listings:** As of December 1, 2012, there were 1,572 landlords with properties in HACA's jurisdiction utilizing the *GoSection8* rental listing service. There were three new landlords added to the Section 8 program this month. There were 65 active properties listed.

FAMILY SELF SUFFICIENCY (FSS)

November is the month when the FSS Department recognizes the successes of participants at the "It's Your Time To Shine" celebration. This event features individuals who have met their goals in education or employment. Twenty participants stood before their peers and families to accept a Milestone or Graduate Certificate. Each person shared his or her personal goals, challenges and experiences and their words were inspiring to their fellow FSS participants and guests. Each year, FSS also focuses on the children by presenting framed art work from NAHRO's "What Home Means To Me" poster contest. This year's national winner, six-year old Marcaya, was there to receive her gift certificate. Her poster is still in Washington, D.C. where it will be displayed in the Capitol Rotunda along with the other winners. Marcaya's poster is the featured poster for the month of May on NAHRO's 2013 calendar.

The FSS Giving Connection is a way for donors and recipients to come together through the FSS Program. Each year, generous supporters, including current FSS program participants, contribute gift cards or financial gifts so that any FSS family that needs support during the holidays will be able to receive grocery store gift cards. One part of the Connection is the Hayward Fire Department's Toys for Tots program. The Fire Department provides toys so that each child will get a new toy. Donations to the FSS Giving Connection will ensure that FSS reaches its goal of providing a gift to every applicant family.

PUBLIC HOUSING

- **Occupancy:** As of December 1, 2012, the Public Housing program had 69 of 72 units leased and has a 99.04% fiscal year-to-date lease up rate.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

Section 8 Contract and HAP Report for the Month of: November 2012

	Certificates		Vouchers		November 2012 TOTAL			
City	Number	HAP*	Number	HAP**	Number	HAP	November 2011	November 2010
Albany	-	\$ -	37	\$ 38,702	37	\$ 38,702	39	46
Castro Valley	14	\$ 12,334	230	\$ 240,580	244	\$ 252,914	246	253
Dublin	2	\$ 1,762	280	\$ 292,880	282	\$ 294,642	309	265
Emeryville	6	\$ 5,286	109	\$ 114,014	115	\$ 119,300	110	91
Fremont	29	\$ 25,549	1,342	\$ 1,403,732	1,371	\$ 1,429,281	1,402	1,411
Hayward	114	\$ 100,434	2,467	\$ 2,580,482	2,581	\$ 2,680,916	2,516	2,435
Newark	2	\$ 1,762	276	\$ 288,696	278	\$ 290,458	288	292
Pleasanton	4	\$ 3,524	138	\$ 144,348	142	\$ 147,872	166	160
San Leandro	15	\$ 13,215	1,421	\$ 1,486,366	1,436	\$ 1,499,581	1,395	1,346
San Lorenzo	2	\$ 1,762	224	\$ 234,304	226	\$ 236,066	211	200
Union City	4	\$ 3,524	866	\$ 905,836	870	\$ 909,360	763	714
TOTALS	192	\$169,152.00	7,390	\$7,729,940.00	7,582	\$7,899,092.00	7,445	7,213

* Based on an average November Housing Assistance Payment (HAP) of \$881 per certificate contract

**Based on an average November Housing Assistance Payment (HAP) of \$1046 per voucher contract

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

Section 8 Average Contract Rent Report for the Month of: NOVEMBER 2012

City	Number of HAP Contracts	Average Contract Rent	Average HAP Paid by HACA	Average Rent Paid by Family	Average Family- Paid Rent as a Percentage of Average Contract Rent
Albany	37	\$1,313	\$1,059	\$254	19%
Castro Valley	231	\$1,355	\$951	\$404	30%
Dublin	276	\$1,610	\$1,222	\$388	24%
Emeryville	106	\$1,219	\$861	\$358	29%
Fremont	1,333	\$1,562	\$1,123	\$440	28%
Hayward	2,462	\$1,351	\$978	\$373	28%
Newark	276	\$1,790	\$1,282	\$509	28%
Pleasanton	135	\$1,347	\$951	\$395	29%
San Leandro	1,426	\$1,368	\$993	\$375	27%
San Lorenzo	225	\$1,636	\$1,191	\$445	27%
Union City	777	\$1,628	\$1,212	\$416	26%

*Some rents may vary by \$1 due to rounding

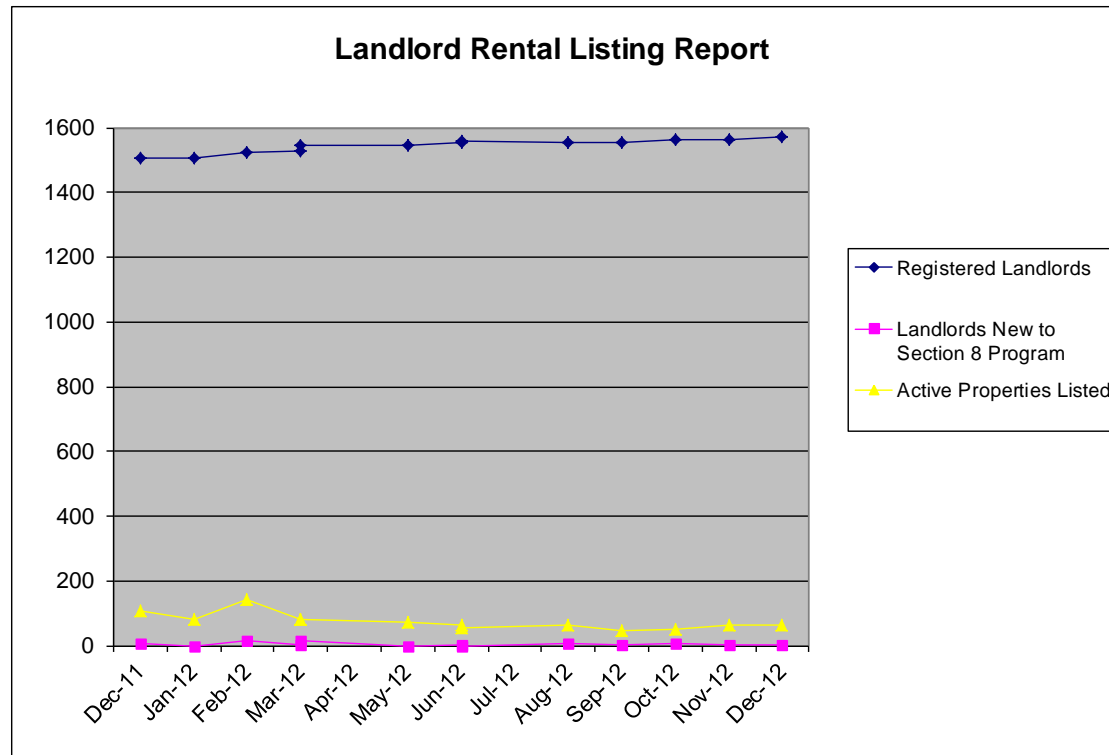
2012-2013

DEBT COLLECTIONS
FYE 06/30/13

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	GRAND TOTALS
<i>DAMAGE CLAIMS</i>	\$0.00	\$150.00	\$0.00	\$0.00									\$150.00
<i>FRAUD REPAYMENTS</i>	\$2,719.93	\$2,507.22	\$2,861.70	\$2,712.85									\$10,801.70
TOTALS	\$2,719.93	\$2,657.22	\$2,861.70	\$2,712.85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,951.70

Monthly

	12/1/2011	1/3/2012	2/1/2012	3/1/2012	3/29/2012	5/1/2012	6/1/2012	6/29/2012	8/1/2012	9/4/2012	10/1/2012	11/1/2012	12/1/2012
Registered Landlords	1504	1504	1523	1527	1544	1547	1552	1558	1552	1556	1562	1565	1572
Landlords New to Section 8 Program	5	0	16	2	15	0	4	0	6	3	6	2	3
Active Properties Listed	107	83	141	79	82	70	64	55	64	47	52	63	65





To: Christine Gouig, Executive Director
From: Sharon DeCray, HAFS Manager
Re: **FSS Program Summary**
CC: Ron Dion, Linda Evans, Phyllis Harrison, Mary Sturges
Date: December 4, 2012

Program Summary	November 2012
Total Clients Under Contract:	154
Graduates:	0
Escrow Disbursed:	\$0
Ports In:	1
Ports Out:	0
Terminations:	2
New Contracts:	3

FSS PROGRAM NEWS:

3rd Annual “It’s Your Time To Shine” Celebration

On Thursday, November 8, 2012, the FSS department held its 3rd annual “It’s Your Time To Shine” celebration at the San Leandro Main Library. Approximately 50 participants and their families attended. The celebration’s purpose is to recognize program participants and their family members who have accomplished educational and/or employment milestones within the past 12 months. We also honored supporters of the program and presented the winners of NAHRO’s “What Home Means to Me” poster contest with gift cards and their framed art work. There was socializing, entertainment and a catered dinner. The dinner was made possible by a grant from the Oakland Methodist Foundation (OMF). Barbara Ganitch, President of OMF, attended and subsequently wrote, “It is with pleasure that we convey to you our support of your impressive program...” She also said that she shared with the rest of the OMF board the wonderful time she had at the event. The celebration would not have been as successful without the help of HACA staff and management who attended and volunteered to help sign in guests and serve dinner. Executive Director Chris Gouig was the emcee and Commissioners Marvin Peixoto and Christine Steiner came out to lend their support. It was an inspiring evening and an opportunity to see our participants in the light of their successes.

Section 8 Homeownership

On Thursday, November 29, 2012, FSS held our first Section 8 homeownership orientation of the year. Funding for FSS has been restored for 2013, as such; our goal is to have orientations every quarter for the homeownership program. Approximately 95% of the FSS participants have a goal to eventually become homeowners. The FSS program provides the additional support they need to become homeownership-ready by hosting financial, credit repair and budgeting workshops.

The Giving Connection

FSS has renamed our annual gift giving event “The Giving Connection.” The idea is to keep in mind that the holidays are as much about giving as they are about receiving. During the month of December, FSS partners with the Hayward Fire Department in conjunction with “Toys for Tots” to distribute toys to our FSS families with children. We also give them grocery gift cards with denominations that vary depending on the size of the family and how much in monetary donations we’ve received for the event. Many participants donate gift cards to the program instead of asking to receive one. We hope The Giving Connection will spark the idea of giving as well as receiving in all of our participants. We have already received inquiries from participants letting us know they will donate this year instead of receiving. We applied for and were awarded a \$1,500 grant from the Oakland Methodist Foundation. The funds will go toward assisting FSS families with grocery gift cards this holiday season.

Referrals

55 Case Management

COMMUNICATIONS

The New York Times

December 4, 2012

The Affordable Housing Crisis

The precious few federal programs that provide rental assistance to the nation's poorest and most vulnerable families are already underfinanced. These programs provide decent housing for about only a quarter of the low-income families who qualify for them. And with nearly nine million households teetering on the verge of homelessness, the country clearly needs more support for affordable housing, not less.

The main federal programs are traditional public housing, for which the government provides operating expenses, plus two different programs under Section 8 of the housing law, in which rents are subsidized in privately owned properties. Federal housing programs provide a lifeline for about five million low-income households that would otherwise be unable to afford livable housing at all.

More than half of these households are headed by elderly or disabled people and more than a third are families that include children. These families are overwhelmingly "extremely low income," which means they earn less than a third of the median income in the areas where they live.

Congress has not treated these housing programs kindly in recent years. Between 2010 and 2012, financing fell by about \$2.5 billion, or nearly 6 percent, although some of this was mitigated by one-time measures, like spending from reserves. President Obama's budget for the 2013 fiscal year is not much of an improvement; given inflation, Congress would have to increase appropriations just to keep treading water, when, in fact, what the poor in this country need is a significant jump.

The administration obviously needs to do better. The number of families eligible for this program has grown significantly since the start of the recession. Last year, for example, 8.5 million very-low-income families without housing assistance paid more than half their incomes for housing — an increase of 43 percent from 2007.

<http://www.nytimes.com/2012/12/05/opinion/the-affordable-housing-crisis....> 12/5/2012

These families skimp on food and medical care to make the rent and tend to move often, making it difficult for their children to be successful at school. They are also more prone to homelessness, which is traumatic for them and extremely costly for the municipalities that run shelters.

Yet even as the need for affordable housing has grown, such units have disappeared. Over the last two decades, for example, private landlords have removed more than 200,000 apartments from subsidy programs so that they could raise rents. And, faced with weak federal support and no money for repairs, the local housing authorities that manage federally supported developments have boarded up or torn down more than 150,000 units.

According to an analysis by the Department of Housing and Urban Development, it would take about \$26 billion to repair the public housing developments that shelter more than two million of the nation's most vulnerable people. The department is currently engaged in a pilot project under which a small subset of public housing authorities will be allowed to leverage private capital to make the needed repairs on their properties.

Meanwhile, Congress could help reduce costs for affordable housing units by passing the Affordable Housing and Self Sufficiency Improvement Act, a sound proposal in which core provisions have bipartisan support. The act would save money by streamlining a whole range of rules that are now redundant or excessively complicated — allowing agencies to more efficiently screen applicants, cutting the frequency with which housing authorities are required to inspect units, and simplifying the setting of rental rates.

But Congress would still have to find major new sources of revenue to sustain the current programs and meet increasingly pressing housing needs. It took an important first step in 2008, when it created The National Housing Trust Fund. Modeled on successful state programs, the fund would provide subsidies and incentives to preserve, rehabilitate and build housing for low-income families in stable middle-class communities.

It would also stimulate construction and create jobs. The money to underwrite the fund was supposed to come from the federally backed mortgage companies Fannie Mae and Freddie Mac, which imploded at the start of the recession. Now that those companies have turned the corner, the time may have come to divert some of their profits to affordable housing.

Other ideas are circulating that go beyond simply beefing up programs with more appropriations. The Center on Budget and Policy Priorities, for instance, has suggested revising the tax code — which now provides some \$100 billion in tax breaks to homeowners — to give low-income renters a benefit as well. The benefits would take the form of a credit to be distributed by the states according to income and other criteria.

The center estimates that eligible families would end up paying about only 30 percent of incomes on housing, and that even a modest renters' credit capped at \$5 billion would lift 250,000 renters out of poverty, help 1.2 million of the lowest income renters and cut the number of poor households that spend more than half their incomes on rent by 700,000. That proposal deserves a serious reading.