



**HOUSING COMMISSION AGENDA**  
**Special Meeting: September 16, 2015**  
**Time: 8:00 a.m.**

**HACA Board Room, 22941 Atherton Street, Hayward, CA 94541**

*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, September 10, 2015 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.*

			<u>PAGE</u>
<b>1.</b>	<b>CALL TO ORDER / ROLL CALL</b>		
<b>2.</b>	<b>CLOSED SESSION</b>		
	<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>		
<b>3.</b>	<b>APPROVAL OF THE MINUTES OF THE AUGUST 12, 2015 MEETING</b>	<b>ACTION</b>	<b>2</b>
<b>4.</b>	<b>PUBLIC COMMENT</b>		
	On matters not on the Agenda		
<b>5.</b>	<b>NEW BUSINESS</b>		
<b>5-1.</b>	Presentation of the 2015 HACA Scholarship Winners	<b>PRESENTATION</b>	<b>9</b>
<b>5-2.</b>	Approve Section 8 Benefit Payment Standards	<b>ACTION</b>	<b>11</b>
<b>5-3.</b>	Repeat Presentation: "The Ever Changing Admin Fee"	<b>PRESENTATION</b>	<b>13</b>
<b>5-4.</b>	Financial Status Report for the Quarter and Year Ended June 30, 2015	<b>INFORMATION</b>	<b>20</b>
<b>5-5.</b>	Program Activity Report	<b>INFORMATION</b>	<b>22</b>
<b>6.</b>	<b>COMMISSIONER REPORTS</b>		
<b>7.</b>	<b>COMMUNICATIONS</b>		
<b>8.</b>	<b>ADJOURNMENT</b>		

**MINUTES**  
**August 12, 2015**

**HOUSING COMMISSION MINUTES  
REGULAR MEETING: AUGUST 12, 2015  
HACA BOARD ROOM, 22941 ATHERTON STREET, HAYWARD, CA 94541**

**SUMMARY ACTION MINUTES**

**1. CALL TO ORDER/ROLL CALL**

**Call to Order**

Chairperson Biddle called the meeting to order at 8:00 a.m.

**Roll Call**

Present: Cmr. Bacon, Biddle, Gacoscos, Gerry, Hannon, Steiner

Excused: Cmr. Asher, Cashmere, Iosefa, Peixoto and Reed

**2. APPROVAL OF THE MINUTES OF THE JUNE 10, 2015 MEETING**

Recommendation: Approve the minutes of the June 10, 2015 Housing Commission meeting as presented.

Motion/Second: Steiner/Gacoscos.

Motion passed. **APPROVED AS RECOMMENDED.**

**4. PUBLIC COMMENT**

Cheri Keeling and Patti Maddon commented on labor contract negotiations.

**5. NEW BUSINESS**

**5-1. PRESENTATION: RECOGNIZE CATHY ZEIGLER AS HACA'S SHINING STAR FOR JULY - DECEMBER 2015**

Christine Gouig, Executive Director, presented the staff report. Ms. Gouig introduced Cathy Zeigler, an Administrative Clerk in HACA's Programs department, as HACA's Shining Star for July-December 2015. She reported that Cathy staffs the front desk in HACA's lobby and described some of the challenges that Cathy faces each day in this role. Ms. Gouig read the comments that were submitted by those who nominated Cathy. The Commission and the public applauded Cathy and Chairperson Biddle presented her with a certificate.

Comments from the Public: Mary Rizzo-Shuman, Cathy's supervisor, commented that she is proud of Cathy and appreciative of the good work that she does. Cathy expressed her appreciation for the award. Cheri Keeling, Eligibility Technician, commented that staff greatly appreciates having Cathy as part of the team.

Commission Discussion: Chairperson Biddle thanked Cathy for her hard work. Cmr. Hannon congratulated Cathy on the award and commented that it is an honor to be recognized by one's peers.

**5-2. RESOLUTION NO. 06-15: APPROVING SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM (SEMAP) CERTIFICATION AND AUTHORIZING SUBMITTAL OF CERTIFICATION TO HUD**

Christine Gouig introduced this item. Ms. Gouig explained the process for submitting the Section Eight Management Assessment Program (SEMAP) certification to HUD and reported that HACA received an overall SEMAP rating of “high performer.” Ms. Gouig acknowledged and praised staff for their hard work. Jennifer Cado, Senior Administrative Analyst, presented the staff report. Ms. Cado explained the key performance indicators that are used in SEMAP to measure HACA’s performance in the administration of the Section 8 program. Ms. Gouig described some of the challenges, particularly the rising cost of rents, that could have an impact on HACA’s SEMAP score for next year.

Recommendation: Adopt Resolution No. 06-15 approving the SEMAP certification and authorizing submittal of certification to HUD.

Commission Discussion: Cmr. Steiner and Ms. Gouig discussed the Fair Market Rents (FMRs) that are set by HUD. Ms. Gouig indicated that HACA and other Bay Area housing authorities are working together to request exceptions to these FMRs so that the housing authorities in this region can pay more to the landlords. She described some of the factors that are making it difficult for Section 8 program participants to find units. Cmr. Gerry commented that the market is flooded with prospective tenants and described how competitive it is for rental units in this current market. Cmr. Hannon congratulated staff on achieving “High Performer” status. Cmr. Hannon and Ms. Cado discussed the random sampling for SEMAP.

Motion/Second: Steiner/Gerry.

Ayes: All Motion passed. **APPROVED AS RECOMMENDED.**

**5-3. ACTION: POTENTIAL PURCHASE OF SURPLUS ALAMEDA COUNTY PROPERTY**

Christine Gouig presented the staff report. Ms. Gouig reported that Alameda County has notified HACA of its intent to sell land located in the city of Dublin that is zoned for high-density residential housing. She explained that although HACA does not have any funds to contribute towards the development of a project on this site, HACA can provide project-based vouchers that may be used to leverage bank financing and indicated that Eden Housing, a non-profit housing developer, is interested in partnering with HACA to develop the site.

Recommendation: Authorize the Executive Director to sign and submit an “intent to purchase” to Alameda County and provide any other information, documentation or approvals that Alameda County may require.

Commission Discussion: Chairperson Biddle provided a brief history of this site and commented that it is a prime location for affordable housing. He also indicated that there are other parties interested in the site. Cmr. Steiner and Ms. Gouig discussed a project that HACA was going to do with Eden Housing that involved surplus land in Castro Valley. Ms. Gouig explained that particular project died due to lack of redevelopment agency funding. Cmr. Gacoscos asked if HACA has done any other projects using surplus property. Ms. Gouig stated this project represents a first for HACA. Cmr. Bacon and Ms. Gouig discussed project-based vouchers. Ms. Gouig explained project-based vouchers, how they are administered and how housing developers leverage them to secure financing. Cmr. Hannon suggested that the Housing Commission could write a letter of support if it would be helpful and the Commissioners agreed.

Motion/Second: Gacoscos/Steiner.

Ayes: All. Motion passed. **APPROVED AS RECOMMENDED.**

**5-4. ACTION: REVISIONS TO HACA'S SECTION 8 ADMINISTRATIVE PLAN**

Ron Dion, Deputy Director for Programs, presented the staff report. Mr. Dion reported that staff is proposing to amend chapters 1, 2 and 11 of HACA's Section 8 Administrative Plan (Admin Plan) in order to incorporate recent updates to HUD regulations.

Recommendation: Approve the proposed revisions to HACA's Section 8 Administrative Plan as presented.

Commission Discussion: Cmr. Hannon and Mr. Dion discussed HACA's gift policy. Chairperson Biddle commented that HUD frequently revises its regulations. Ms. Gouig described the tools that staff uses to track and implement HUD's updates to the regulations.

Motion/Second: Bacon/Hannon

Ayes: All. Motion passed. **APPROVED AS RECOMMENDED.**

**5-5. RESOLUTION NO. 07-15: APPROVING AN AMENDMENT TO THE BUDGETED POSITIONS IN THE HOUSING AUTHORITY'S FISCAL YEAR 2015-2016 OPERATING BUDGET**

Christine Gouig presented the staff report. She reported that the Commission's Personnel Committee met earlier in the morning to consider the reallocation of an existing Eligibility Technician (ET) position in the Special Programs unit to the Housing Specialist classification and approved the reallocation of the ET position. Ms. Gouig explained that there will be an increase in the case load for the Special Programs unit, which will require work that falls more appropriately in the Housing Specialist classification and described the impact that reallocating the ET position to the Housing Specialist classification will have on HACA's operating budget for the 2015-2016 fiscal year.

Recommendation: Adopt Resolution No. 07-15 approving an amendment to the budgeted positions in the Housing Authority's fiscal year 2015-2016 operating budget.

Public Comment: Cheri Keeling commented on the reallocation of the ET position.

Motion/Second: Hannon/Gerry.

Ayes: All. Motion passed. **APPROVED AS RECOMMENDED.**

**5-6. ACTION: APPROVE THE 2015 HACA SCHOLARSHIP AWARDS**

Daniel Taylor, Special Programs Manager, presented the staff report. Mr. Taylor thanked Cmr. Asher, Cashmere, Gacoscos, and Hannon for serving on the 2015 HACA Scholarship Committee. He reported that the Scholarship Committee reviewed 14 applications and selected all 14 to receive scholarships.

Recommendation: Approve the 2015 HACA scholarship awards.

Commission Discussion: Chairperson Biddle commented that this year's applicants are impressive. Cmr. Steiner asked how many of the 2015 scholarship applicants have received a HACA scholarship previously and Mr. Taylor stated that he would provide such information at the next meeting. Cmr. Gacoscos commented that the applicants' stories were very inspiring and indicated that she shared some of these stories at her city council meeting. Cmr. Hannon thanked staff for putting the application information packets together and commented that he enjoyed being a part of the review and selection process. Cmr. Gerry and Mr. Taylor discussed some things that staff can do to promote HACA's scholarship program. Cmr. Hannon asked if families can apply for a HACA scholarship to pay for tuition at private elementary schools

and/or high schools and Mr. Taylor responded that, with the exception of GED classes, the scholarship program is targeted to post-secondary education and training programs.

Recommendation: Approve the 2015 HACA Scholarship awards.

Motion/Second: Hannon/Gacoscos.

Ayes: All. Motion passed. **APPROVED AS RECOMMENDED.**

**5-7. INFORMATION: QUARTERLY INVESTMENT PORTFOLIO REPORT**

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

**5-8. INFORMATION: PROGRAM ACTIVITY REPORT**

Daniel Taylor presented the staff report. Mr. Taylor reported that staff has submitted an application to HUD for FSS program funding. He also reported on the 2015 FSS Health and Resource Fair held on August 8, 2015.

Commission Discussion: Cmr. Steiner asked when the FSS *It's Your Time to Shine* event is going to be held and Mr. Taylor stated that the event will be held in November at the San Leandro Community Center and that he will provide more details on the event as it gets closer to the date.

Ms. Gouig thanked the FSS staff and HACA employees who worked hard to make this year's FSS Health and Resource Fair a success.

**6. COMMISSIONER REPORTS**

Cmr. Steiner asked for information on the income limits and HACA's payment standards. An information sheet with the current income limits, Fair Market Rents, and Benefit Payment Standards was distributed to the Commission and to the public.

**7. COMMITTEE REPORTS**

None.

**8. COMMUNICATIONS**

Ms. Gouig reported on the opening of HACA's Section 8 wait list that was held on August 5 - 11, 2015. She praised Jennifer Cado for the planning and work that she did to ensure the opening was a success. Ms. Cado described the outreach to the community based organizations that staff did, how staff helped applicants at the application centers, the reasonable accommodation process that staff developed for the wait list opening and praised HACA staff for the help that they provided to all of the applicants. She also explained what the next steps are in the process and indicated that applicants will be notified of the outcome of their application by October 31. Ms. Cado explained that applicants will be selected through a lottery. Cmr. Steiner asked if preferences for seniors and disabled are applied before or after the lottery and Ms. Cado indicated that preferences are not applied until after the applicants have been selected through the lottery.

Ms. Gouig announced that the 2015 NAHRO National Conference will be held in September in Los Angeles and that Chairperson Biddle was next on the list of Commissioners to attend. Chairperson Biddle stated that he would check his schedule and let staff know if he is able to attend.

Ms. Gouig reported that the September Commission meeting falls on September 9 and that HACA is closed on that day in observance of the Admission Day holiday. After a brief discussion, the Commission decided to move the September Commission meeting to September 16.

Ms. Gouig reported that a comment letter was prepared by the California Association of Housing Authorities (CAHA) in response to HUD's Administrative Fee (Admin Fee) study. She explained that many housing authorities in California, including HACA, will face further cuts to their administrative funding as a result of the findings from HUD's Admin Fee study. Ms. Gouig indicated that CAHA is also working with California's congressional delegation to dispute HUD's findings. Cmr. Steiner commented that *The Ever Changing Admin Fee* presentation that was presented at the June Commission meeting was excellent and suggested that staff show this presentation again at the September meeting. She stated that she gave a copy of this presentation to Congressman Eric Swalwell.

Ms. Gouig reported that she will be interviewing candidates for the Senior Tenant Commissioner vacancy on August 13.

Ms. Gouig reported that the Alameda County Superior Court has dismissed the lawsuit filed against HACA by the former Emery Glen contractor. She commented that the Emery Glen residents have been patient as staff works through the legal process.

**9. ADJOURNMENT**

There being no further business, Chairperson Biddle adjourned the meeting at 9:22 a.m.

Respectfully Submitted,

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Melissa Taesali  
Executive Assistant

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Christine Gouig  
Executive Director/Housing Commission Secretary

**Approved:** 

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Don Biddle  
Housing Commission Chairperson

# **NEW BUSINESS**

**September 16, 2015**



**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**AGENDA STATEMENT**

Meeting: September 16, 2015

Subject: Presentation of the 2015 HACA Scholarship Winners

Exhibits Attached: 2015 HACA Scholarship Winners

Recommendation: Receive presentation and acknowledge winners

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**DISCUSSION**

The Housing Authority's Scholarship Program includes a presentation to the Housing Commission of the applicants who were selected by the Scholarship Committee to receive a scholarship award. The Committee recommended \$12,750 in scholarships for 14 applicants and your Commission approved their recommendations at your August meeting.

Staff will present the scholarship winners who are in attendance at the meeting and recognize them for their achievements. The recipients are listed, by city, below. We usually acknowledge the scholarship winners in August so are one month behind. As many students are back in school now there may be fewer attendees than at past Commission meetings.

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**2015 HACA Scholarship Winners**

City	# of Scholarship Winners
Hayward	6
Union City	4
San Leandro	2
Newark	1
San Lorenzo	1

**2015 HACA Scholarship Award Details**

**HAYWARD**

NAME	SCHOOL	DEGREE/FIELD OF STUDY	AWARD	WINNER FROM PREVIOUS YEAR
1. Sarah Bahadur	Cal State East Bay	Masters - Public Administration	\$1,250.00	2014
2. Deimon Brown	Chabot College	Real Estate	\$225.00	--
3. Quiana Easter	Saint Mary's	Masters - Counseling	\$1,250.00	2014
4. Cristina Mitchell	Chabot College	Behavioral Sciences	\$500.00	--
5. Jacqueline Richardson	Chabot College	Sociology	\$500.00	--
6. Rochanda Wellington	Cal State East Bay	Masters - Public Administration	\$1,250.00	--

**UNION CITY**

NAME	SCHOOL	DEGREE/FIELD OF STUDY	AWARD	WINNER FROM PREVIOUS YEAR
1. Maya Nelson	Chabot College	Business	\$500.00	
2. Stacy Sorrells	San Jose State	Masters - Library Services	\$1,250.00	2011
3. Deeletra Stroughter-Barb	San Francisco State	Masters - Sports Psychology	\$1,250.00	--
4. Nkechi Uzoew		Masters - Forensic Psychology	\$1,250.00	--

**SAN LEANDRO**

NAME	SCHOOL	DEGREE/FIELD OF STUDY	AWARD	WINNER FROM PREVIOUS YEAR
1. Tori Chea	Cal State East Bay	Arts	\$950.00	2014
2. Mohamed Musa	San Jose State	Engineering	\$950.00	--

**NEWARK**

NAME	SCHOOL	DEGREE/FIELD OF STUDY	AWARD	WINNER FROM PREVIOUS YEAR
1. Patricia Jones	Fremont Adult School	GED	\$375.00	2014

**SAN LORENZO**

NAME	SCHOOL	DEGREE/FIELD OF STUDY	AWARD	WINNER FROM PREVIOUS YEAR
1. Kemisha Radford	Cal State East Bay	Masters - Counseling	\$1,250.00	--

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**AGENDA STATEMENT**

Meeting: September 16, 2015

Subject: Section 8 HCV Payment Standards

Exhibits Attached: None

Recommendation: Approve the Proposed HCV Payment Standards

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**BACKGROUND**

A housing authority's payments to landlords to subsidize the rents of Section 8 Housing Choice Voucher (HCV) Program participants are called "Housing Assistance Payments" (HAP). A formula determines the total HAP funding that HUD provides annually to each housing authority. Congress may or may not appropriate sufficient funds to fund 100% of that formula. (This year we are funded at 101.25% of the formula for HAP whereas last year we were funded at 99.7%.)

A housing authority must manage the HAP funds that it receives from HUD to pay landlords enough so that families can afford modest housing and yet not run out of money before the end of the year when new funding is provided. If a housing authority sets the rents that families are allowed to pay too low for its market area, families won't be able to find suitable housing and/or will have to pay too much of their income (i.e., more than 30% - 40%) for rent. If the housing authority sets rents too high, it will run out of HAP funds and will have to reduce the size of its program, possibly having to terminate the leases of participating families.

The rents that a housing authority allows participating families to pay are determined, in large part, by HUD. Every year, HUD publishes proposed "fair market rents" for each market area in the United States and then publishes the final fair market rents to be effective on October 1 of that year. Fair market rent (FMR) is the rent, including the cost of utilities (except telephone and cable TV), that must be paid in the market area to rent privately owned, decent, safe and sanitary rental housing that is *modest* (i.e., non-luxury). It is not intended that the FMRs enable a participating family to rent every type of unit in a community.

After HUD publishes the FMRs, every housing authority must then adopt one or more "payment standard" schedules based on the FMRs. A housing authority may either adopt a single payment standard amount for the whole FMR area, or a separate payment standard amount for each designated part of the FMR area (e.g., for each city).

The payment standard establishes the voucher amount for each unit size, i.e., the **maximum** gross rent (rent plus utilities) that will be used by the housing authority to compute the monthly HAP that it will pay the landlord on behalf of the family. The **actual** gross rent that the housing authority will use is based on the reasonableness of the rent in comparison to that of similar units in the same neighborhood; it is not automatically the payment standard.

The housing authority may establish the payment standard amount for a unit size at any level between 90% and 110% of the published FMR for that unit size. HUD approval is not required to establish a payment standard amount in that range (called the “basic range”), but *is* required to establish a payment standard amount that is higher or lower than the basic range.

**DISCUSSION AND ANALYSIS**

HUD has published the 2015 - 2016 proposed FMRs. The proposed FMRs are 1.4% - 10.66% lower than the 2014 - 2015 final FMRs for all bedrooms sizes. The studio, one-, two-, and three-bedroom proposed FMRs are 1% - 2% lower and the four-, five-, and six-bedrooms average 10.65% lower. As you are well aware, and as reputable industry data has proven, rents in Alameda County are increasing (some say astronomically) rather than decreasing. Obviously, HUD’s FMR formula is antiquated and not able to take into account rents in a fast rising market.

Recommendation: Housing Choice Voucher Program (HCV). Based on the increase in our HAP funding and the difficulty applicants and participants are having in finding affordable units, you approved payment standards that were set at 110% of the FMR at your May 13, 2015 meeting. At this time we have no choice but to use the new FMRs and staff recommends that you approve the payment standards shown below at 110% of those new FMRs. The effective date of the payment standards is October 1, 2015 for annual re-exams and for move-ins with an effective date of October 1, 2015 or later.

**HCV PAYMENT STANDARDS**

City	Unit Size by Bedrooms						
	Studio	1	2	3	4	5	6
All Cities	\$1,230	\$1,482	\$1,874	\$2,612	\$2,912	\$3,349	\$3,786

Recommendation: Veterans Affairs Supportive Housing Program (VASH). As you know, HUD approved a regulatory waiver for us to establish a payment standard schedule for our Veterans Affairs Supportive Housing (VASH) program *separate* from our non-VASH HCV program payment standard schedule and to set that standard at 120% of the 2015 FMRs. Staff recommends that for now we retain the payment standard schedule approved via this waiver.

Next Steps

HACA and the other housing authorities in Alameda and Contra Costa Counties are having a very difficult time leasing up their HCV and VASH programs due to HUD’s out-of-date rent limits. By the time of your Commission’s meeting, the housing authorities and Alameda County HCD staff will have met and developed a strategy for responding to the new FMRs and staff will report on that meeting. At this time staff recommends that your Housing Commission authorize the Executive Director to undertake the actions below; there may be others as a result of the housing authorities’ meeting:

- Submit a waiver request to HUD to set HACA’s HCV and VASH payment standards at 120% of the 50<sup>th</sup> percentile FMR rents
- Procure, with others, a rental market study for submission to HUD

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**AGENDA STATEMENT**

Meeting Date: September 16, 2015

Subject: Section 8 Administrative Fee History

Exhibits Attached: Powerpoint Slides: *The Ever Changing Admin Fee*

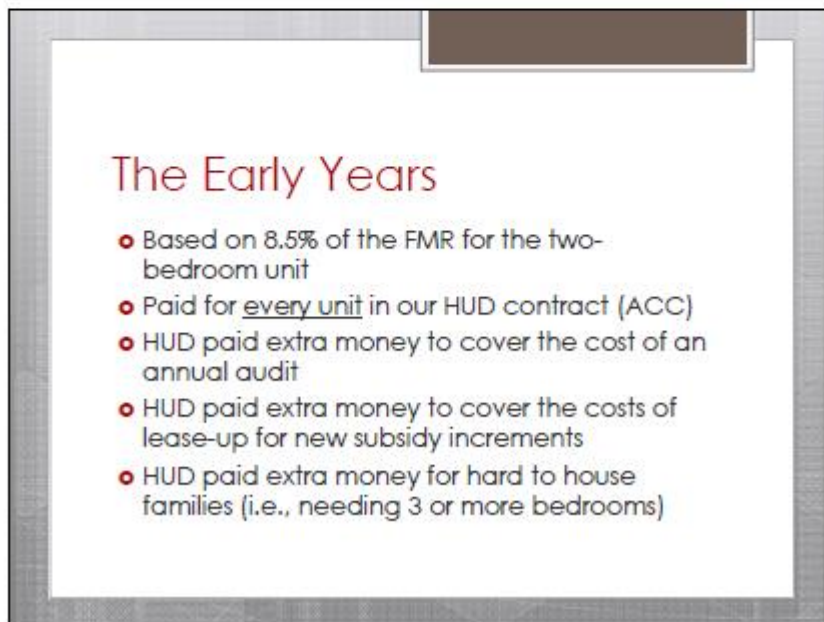
Recommendation: Receive presentation

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**DISCUSSION**

At the June Commission meeting, as part of the 2015 – 2016 budget approval, staff gave a presentation on HUD’s Section 8 Administrative Fee (Admin Fee) called *The Ever Changing Admin Fee*. The presentation described HUD’s past and present funding practices for the Admin Fee that housing authorities receive from HUD to administer the Section 8 program.

At your August meeting, staff discussed a recent study that HUD contracted for on the Admin Fee, noting that the study’s finding will result in a cut for HACA. Commissioner Steiner suggested that staff again give its presentation on the history of the Admin Fee, particularly for the benefit of those Commissioners who were not present at the June meeting.



## The Early Years

- 8.5% of today's two-bedroom FMR is \$134.73 per month or \$1,616.76 per year
- Multiply this times the 6,186 vouchers in our HUD contract = \$10 Million
- Add \$35,000 for an audit
- Add \$16,750 for this year's 67 new VASH vouchers (\$250 each)
- Add 0 for hard to house (assume all small families or individuals; would be \$75 each)

## The Early Years

- Conclusion: Housing Authorities had lots of administrative funding, most often more than they needed to run the Section 8 Program
- HUD allowed Housing Authorities to keep this excess for their own use
- Housing Authorities transferred this excess out of their Section 8 Programs and into what we call our Local Fund

## The Middle Years

- In the mid-1980's and for the next 10 years things changed
- Admin Fee reduced to 6% of the FMR for the two-bedroom unit
- Instead of \$10.00 Million we get \$7.06 Million.
- New increment and hard to house fees disappear
- Housing Authorities told to pay for their audits out of their Admin Fee– no more extra funds

## The Middle Years

- Conclusion: Not as lucrative as Early Years but still profitable for HACA
- But in the mid-1990s things again began to change until the 'earthquake' that was QHWRA hit: Quality Housing and Work Responsibility Act of 1998
- QHWRA completely changed the Section 8 Program rules and operation (and Public Housing, too) to essentially what we have today



## The Near Present

- Re: Section 8 Admin Fee:
- Formula carried forward from pre-QHWRA: 7.65% for first 600 units and 6% for all others
- Inflated annually per a HUD-published inflation factor
- Paid ONLY for Section 8 units under lease– not for every unit in the HUD contract. Theory: incentive to lease up in order to earn max fees.
- Prior to this Housing Authorities were paid 100% of their formula Admin Fee– no longer. Proration begins.

## The Present

- First prorations 89, 90, 91%. HACA still OK.
- 2011: 85%
- 2012: 80%
- 2013: 68%
- 2014: 79%
- 2015: 75% (79%)
- 2016: 68% (per House-approved HUD budget)
- HACA break even is around 86%

## The Present

- Assuming we are 98% leased up, our projected 2016 Admin Fee at a 75% proration (not 68%) is \$5.68 Million
- Compare this to the \$10 Million we would get today under the Early formula or the \$7.06 Million under the Middle formula
- Conclusion: HACA will never again add any money to its 'reserves' so when they're used they're gone forever
- HACA's FY 2015-16 budget needs, at a minimum, \$735,000 from its unrestricted net position, leaving \$1,002,430.

## The Future

- HUD conducted a nationwide study of the Admin Fee using a random time and motion study methodology
- Millions of dollars; outside consulting team
- 60 Housing Authorities, all SEMAP high performers, randomly chosen to represent small, rural, urban, large, etc. PHAs
- Will completely re-do formula based on 7 factors identified in the study

## The Future

- HUD plans to implement the new formula January 2017 after going thru the rule-making process
- Study results for HACA: 4% funding decrease
- Per HUD, HACA per unit funding in CY 2014 would be \$77.79 per unit per month under the study's new formula
- Per HUD, HACA received \$81.03 in CY 2014

## The Future

- Shortfall: \$81.03 minus \$77.79 is \$3.24
- \$3.24 per unit per month times 12 months times 6,186 units is (\$240,512)
- Remember, CY 2014 was at a 79.77% proration
- A 4% cut means we will, starting in CY 2017, have a 75% proration compared to the current formula
- Always subject to Congressional appropriation

**FINANCIAL STATUS**  
**REPORT**

**Quarter and Year Ending June 30, 2015**  
**(Unaudited)**

**HOUSING AUTHORITY OF ALAMEDA COUNTY**  
**Financial Status Report for the Quarter and Year Ending June 30, 2015 (Unaudited)**

	Low Rent Public Housing	Housing Choice Vouchers	Housing Development Fund	Park Terrace	Ocean Avenue	TOTAL
<b>Operating revenues</b>						
Rental revenue - tenants	\$ 373,848	\$ -	\$ 143,000	\$ 137,139	\$ 71,600	\$ 725,587
Other revenue	2,700	-	0	73	104	2,877
Total operating revenues	376,548	-	143,000	137,212	71,704	728,464
<b>Operating expenses</b>						
Administration	(482,498)	(7,055,958)	(759,923)	(37,348)	(25,734)	(8361461)
Tenant service	(4,619)	-	0	0	0	(4,619)
Utilities	(63,918)	-	(89,935)	(132)	(8,133)	(162,118)
Ordinary maintenance and operations	(273,458)	-	(71,336)	(50,885)	(16,647)	(412,326)
General expenses	(59,400)	(55,706)	(82,521)	(740)	(1,003)	(199,370)
Total operating expenses	(883,893)	(7,111,663)	(1,003,715)	(89,105)	(51,517)	(9,139,893)
<b>Non-operating revenues</b>						
HUD PHA grants	386,310	6,266,484	-	-	-	6,652,794
Capital Fund Grant	182,630	-	-	-	-	182,630
Other revenue	73,175	793,438	166,669	-	65	1,033,347
Investment income	702	560	16,927	731	107	19,027
Notes interest income	330,000					330,000
Total non-operating revenues	972,817	7,060,482	183,596	731	172	8,217,798
<b>Unaudited Change in Net Assets/Position</b>	\$ 465,472	\$ (51,182)	\$ (677,119)	\$ 48,838	\$ 20,359	\$ (193,632)
Depreciation Expense	(184,332)	(4,538)	(554,082)	(33,541)	(41,371)	(817,864)
<b>Adjusted Unaudited Change in Net Position</b>	\$ 281,140	\$ (55,720)	\$ (1,231,201)	\$ 15,297	\$ (21,012)	\$ (1,011,496)

HAP Funding Received		\$ 70,834,984				\$ 70,834,984
Other Income (Fraud Recovery, FSS forfeitures)		91,710				91,710
HAP Expenses		(75,748,368)				(75,748,368)
Interest earned payable to HUD		0				0
<b>Addition to/(Use of ) NRP - restricted for HAP</b>		\$ (4,821,674)				\$ (4,821,674)

**NET POSITION Balance @ FYE 6/30/15:**

	Net Investment in Capital Assets	Restricted for HAP (NRP)	Restricted (LRPH Eden Loan, security deposits held)	Unrestricted	TOTAL EQUITY - NET ASSETS/POSITION	
Net Investment in Capital Assets	\$ 2,098,913	\$ 2,269	\$ 8,276,557	\$ 394,029	\$ 685,315	\$ 11,457,083
Restricted for HAP (NRP)	N/A	0	N/A	N/A	N/A	0
Restricted (LRPH Eden Loan, security deposits held)	11,581,116		0	0	0	11,581,116
Unrestricted	1,519,225	1,892,976	4,302,252	1,082,452	152,296	8,949,201
<b>TOTAL EQUITY - NET ASSETS/POSITION</b>	\$ 15,199,254	\$ 1,895,245	\$ 12,578,809	\$ 1,476,481	\$ 837,611	\$ 31,987,400

Program Reserves (for HAP- held by HUD) bal @ FYE 6/30/15 (est.): \$ 11,734,914

**Change in Net Position Summary**

(Decrease)-Net Investment in Capital Assets due to depreciation	(184,332)	(4,538)	(554,082)	(33,541)	(41,371)	(817,864)
Increase - Net Investment in Capital Assets due to capital expenditure	68,840		2,392,770	29,740	40,250	2,531,600
Increase/(Decrease)- Restricted NRP		(4,821,674)				(4,821,674)
Increase - Restricted Other due to interest income on Notes Receivable	330,000					330,000
Increase (Decrease) - Unrestricted (operating income/loss) - donated funds						0
Increase (Decrease) - Unrestricted (operating income/loss)	66,632	(51,182)	(3,069,889)	19,098	(19,891)	(3,055,232)
<b>Total Change in Net Position</b>	<b>281,140</b>	<b>(4,877,394)</b>	<b>(1,231,201)</b>	<b>15,297</b>	<b>(21,012)</b>	<b>(5,833,170)</b>

# PROGRAM ACTIVITY REPORT

**HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA**

**AGENDA STATEMENT**

Meeting: September 16, 2015

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

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**SECTION 8 HOUSING CHOICE VOUCHERS**

- **Lease-Up:** As of September 1, 2015, the Section 8 Housing Choice Voucher program had 6,000 units under contract. The fiscal year-to-date lease-up average is 96.90% units as of September 1, 2015. The budget authority use average through July 2015 is 103%.
- **Program Utilization:** As of September 1, 2015, the average HAP subsidy was \$1,089 and the average tenant-paid rent portion was \$474 for an average Contract Rent of \$1,564. Amounts vary by \$1 due to rounding.
  - ❖ As of September 1, 2015, HACA had 70 outgoing billed portability contracts (i.e., HACA voucher holders who are housed in another housing authority's jurisdiction).
  - ❖ As of September 1, 2015, HACA billed other housing authorities, primarily the Oakland Housing Authority, for 636 incoming portability contracts. The number is dropping as HACA absorbs older port-in contracts in order to increase its lease-up, which has been dropping due to skyrocketing rents in the county and the inability of tenants to locate affordable units. 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 \$8,070.25 for the month of July 2015 and \$4,392.76 for August 2015. A total of \$28,938.22 was retained over the last six months.
- **Landlord Rental Listings:** As of September 1, 2015 there were 685 landlords with properties in HACA's jurisdiction utilizing the *GoSection8* rental listing service. There were three new

landlord added to the Section 8 program this month. There were 10 active properties listed as of September 1, 2015.

**FAMILY SELF SUFFICIENCY (FSS)**

The FSS Department held its annual Health and Resource Fair on August 8, 2015, which was a great success with 25 vendors and approximately 50 FSS participant families in attendance. The children received free backpacks filled with school supplies, drew posters for NAHRO's annual "What Home Means to Me" poster contest and were able to visit a Hayward Fire Department truck. The event would not have been such a success without the support of volunteers from Arroyo High School, Kohl's Department Store, FSS participants and HACA staff.

The FSS Department also had a Program Coordinator Committee meeting and conducted an orientation in August for new FSS participants.

The FSS Department is excited to inform you of another FSS graduate who has become a homeowner. Through hard work and determination, Ms. Iman Prasad purchased a two-bedroom condominium in Hayward.

**PUBLIC HOUSING**

- **Occupancy:** As of September 1, 2015, the Public Housing program had 68 of 72 units leased. The program has a 94.91% fiscal year-to-date lease up rate as of September 1, 2015. Three of the unleased units are in the Emery Glen public housing project and are off-line due to water damage from the incomplete exterior siding project.



HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

Section 8 and HAP Report for the Month of August 2015

City	Certificates		Vouchers		August 2015 TOTAL		August 2014	August 2013
	Number	HAP*	Number	HAP**	Number	HAP		
Albany	0	\$0	29	\$31,436	29	\$31,436	30	34
Castro Valley	11	\$11,473	204	\$221,136	215	\$232,609	228	230
Dublin	3	\$3,129	349	\$378,316	352	\$381,445	356	360
Emeryville	5	\$5,215	120	\$130,080	125	\$135,295	117	111
Fremont	25	\$26,075	1,089	\$1,180,476	1,114	\$1,206,551	1,214	1,297
Hayward	117	\$122,031	2,029	\$2,199,436	2,146	\$2,321,467	2,328	2,515
Newark	3	\$3,129	222	\$240,648	225	\$243,777	244	265
Pleasanton	3	\$3,129	112	\$121,408	115	\$124,537	123	130
San Leandro	19	\$19,817	1,479	\$1,603,236	1,498	\$1,623,053	1,530	1,484
San Lorenzo	1	\$1,043	208	\$225,472	209	\$226,515	226	234
Union City	6	\$6,258	749	\$811,916	755	\$818,174	798	822
<b>TOTALS</b>	<b>193</b>	<b>\$201,299.00</b>	<b>6,590</b>	<b>\$7,143,560.00</b>	<b>6,783</b>	<b>\$7,344,859.00</b>	<b>7,194</b>	<b>7,482</b>

\*Based on an average August Housing Assistance Payment (HAP) of \$1043 per certificate contract

\*\*Based on an average August Housing Assistance Payment (HAP) of \$1084 per voucher contract

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

Section 8 Average Contract Rent Report for the Month of: August 2015

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	28	\$1,369	\$1,089	\$280	20%
Castro Valley	190	\$1,525	\$1,048	\$477	31%
Dublin	271	\$1,717	\$1,262	\$455	26%
Emeryville	116	\$1,359	\$959	\$399	29%
Fremont	1,043	\$1,720	\$1,212	\$508	30%
Hayward	1,987	\$1,471	\$1,004	\$467	32%
Newark	224	\$1,931	\$1,320	\$611	32%
Pleasanton	113	\$1,431	\$1,012	\$419	29%
San Leandro	1,483	\$1,450	\$993	\$458	32%
San Lorenzo	211	\$1,746	\$1,250	\$496	28%
Union City	570	\$1,789	\$1,260	\$529	30%

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

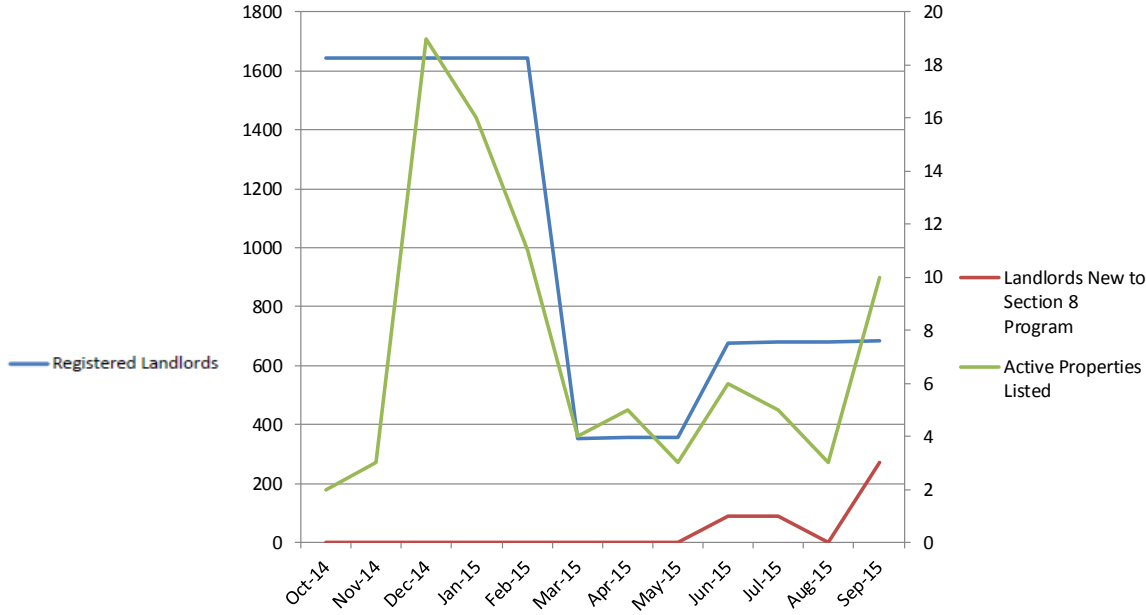
**DEBT COLLECTIONS**  
 2015-2016  
 FYE 06/30/16

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY '16	FEBRUARY	MARCH	APRIL	MAY	JUNE	GRAND TOTALS
<i>DAMAGE CLAIMS</i>	\$200.00	\$281.00											\$481.00
<i>FRAUD REPAYMENTS</i>	\$5,070.25	\$4,392.76											\$9,463.01
<b>TOTALS</b>	<b>\$5,270.25</b>	<b>\$4,673.76</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,944.01</b>

## Landlord Rental Listing Report

### Monthly

	10/1/2014	11/3/2014	12/1/2014	1/2/2015	2/2/2015	3/2/2015	4/1/2015	5/1/2015	6/1/2015	7/1/2015	8/3/2015	9/1/2015
<b>Registered Landlords</b>	1643	1643	1643	1645	1645	354	355	355	675	678	678	685
<b>Landlords New to Section 8 Program</b>	0	0	0	0	0	0	0	0	1	1	0	3
<b>Active Properties Listed</b>	2	3	19	16	11	4	5	3	6	5	3	10





**To:** Christine Gouig, Executive Director  
**From:** Daniel Taylor, Special Programs Manager  
**Re:** **FSS Program Summary**  
**CC:** Ron Dion, Linda Evans, Phyllis Harrison, Mary Sturges, Eli Isaacs  
**Date:** September 1, 2015

<b>Program Summary</b>	<b>August 2015</b>
Total Clients Under Contract:	139
MDRC:	100
Graduates:	0
Escrow Disbursed:	\$0
Ports In:	0
Ports Out:	0
Terminations:	0
New Contracts:	0

**FSS PROGRAM NEWS:**

**Workshops**

On Saturday, August 8, 2015, the FSS team held its annual Health and Resource Fair. Twenty-five vendors participated in the event and approximately 50 FSS participants and their children attended. The kids drew posters for NAHRO's "What Home Means to Me" poster contest and received a free backpack filled with school supplies. The FSS team greatly appreciates the terrific volunteer support it received from HACA staff, FSS participants, Kohl's Department Store and students from Arroyo High School in San Lorenzo. Kohl's made a \$500 donation because their staff volunteered. The evaluations we received from participants and vendors expressed satisfaction with the event. We even received requests to hold the event more than once a year. A few of the vendors included:

- Hayward Fire Department (brought a fire truck)
- Healthy Oakland
- Life Coach, Gloria Brown
- Eden Area One Stop Career Center
- AmeriCorps
- Nurse Annie (blood pressure testing)
- Eden I &R
- Safe America Credit Union
- Next Step Learning Center

**Program Coordinating Committee Meeting (PCC)**

On Wednesday, August 19, 2015, the FSS team held a PCC meeting. The meeting covered FSS program updates and information on upcoming events from our PCC members.

**FSS Orientation**

The FSS team is conducting orientations for new participants. An orientation was held on Thursday, August 27, 2015, from 6:00 p.m. to 7:30 p.m.

**HACA's Newest Section 8 Homeowner**

Congratulations to Iman Prasad! Ms. Prasad closed escrow on her first home, on August 7, 2015. Ms. Prasad was able to achieve her goal through determination and hard work-- she maintained suitable employment, practiced financial responsibility and completed the FSS program. She now owns a two bedroom, two bath condominium in the City of Hayward. As a graduate of the FSS program Ms. Prasad will be acknowledged at our annual "It's Your Time to Shine" celebration in November.

**Referrals: 51**